



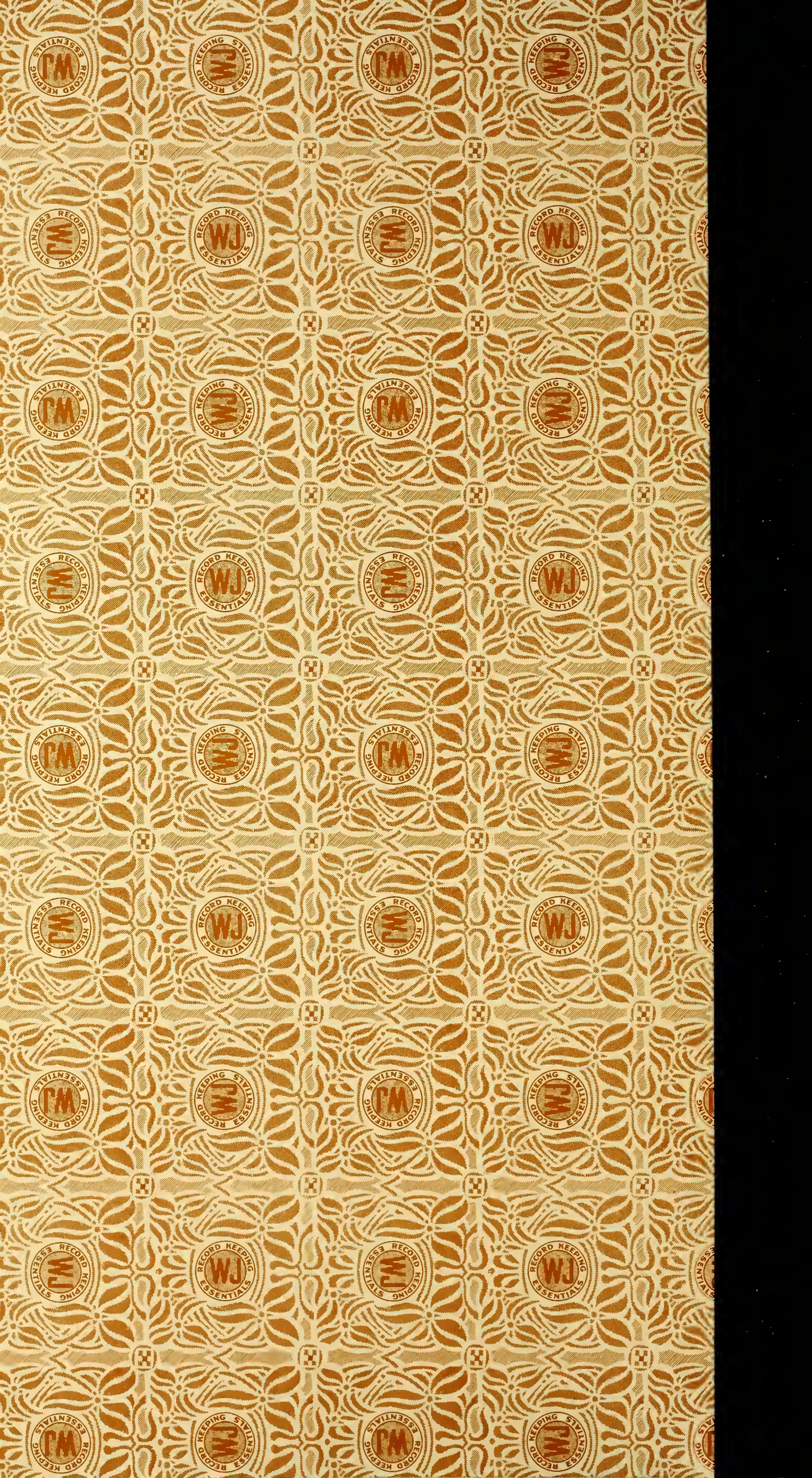
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FORT WAYNE REDEVELOPMENT COMMISSION

EXECUTIVE MEETING MINUTES

January 22, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: John B. Powell - President
R. Steven Hill - V. President
Steven E. McElhoe - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: George F. Simler, III - Secretary

STAFF PRESENT: Ronald R. Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: None

CALL TO ORDER Mr. Powell called to order this executive session meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL It was noted for the record that Mr. Simler was not present at this meeting. Mr. Powell welcomed the new member, Mr. Larry Drees, to the Commission.

Discussion ensued concerning initiation of litigation or litigation that is either pending or has been threatened specifically in writing as allowed under Indiana Code 5-14-1.5-6.1(b)(2)(B).

It is hereby certified that all discussion of business at the January 22, 1997 executive session meeting of the Fort Wayne Redevelopment Commission pertained only to the subject matter as referenced by Indiana Code 5-14-1.5-6.1(b)(2)(D) and as specified in the meeting's public notice.

The meeting adjourned at approximately 5:00pm.

FORT WAYNE REDEVELOPMENT COMMISSION


George F. Simler, III, Secretary

ADOPTED: March 17, 1997



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FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

January 22, 1997

TIME: 5:00 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: John B. Powell - President
R. Steven Hill - V. President
Steven E. McElhoe - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: George F. Simler, III - Secretary

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Larry Shine - attorney
Mark Michael - V. President, Ft. Wayne Metals Research
Products Corp.
Chris Baker - Martin Riley Mock

CALL TO ORDER

Mr. Powell called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that Mr. Simler was not present at the meeting. Mr. Powell introduced and welcomed the newest member of the Commission, Mr. Larry Drees, who had been appointed by the City Council to replace Mr. Ben Eisbart.

SWEARING-IN CEREMONY

MR. Fletcher stated he had just received notification of the Mayor's reappointment of Commissioners Powell, Hill, and Simler immediately prior to the meeting. Mr. Fletcher stated, therefore, that swearing-in would not take place. He asked that all the Commissioners arrange with the City Clerk to be sworn in as their individual schedules allowed.

ELECTION OF OFFICERS

Due to the lateness of reappointment notification, as well as Mr. Simler's absence, Mr. Fletcher asked that election of officers be held at the next meeting

APPROVAL OF CLAIMS

Mr. Hill moved for approval of the November 1996 claims and Mr. McElhoe did second the motion. The motion was approved unanimously.

APPROVAL OF MINUTES

Mr. Hill motioned for approval of the December 3, 1996 special meeting minutes. Mr. McElhoe did second the motion and said minutes were approved unanimously.

Mr. Fletcher asked the Mr. Powell to move directly to Other Business since there were several people present that would be speaking on related issues. Mr. Fletcher asked that they be allowed to give their presentations first so they would not have to sit through the entire meeting, which might be lengthy.

OTHER BUSINESS

Resolution 97-7

Allowing the designation of property as an Economic Revitalization Area for Fort Wayne Metals Research Products Corp. in the Baer Field Economic Development Area

Mr. Larry Shine, attorney, said that Ft. Wayne Metals, currently located on Old Indianapolis Road, was applying for tax abatement status on the construction of a 52,800 sq.ft., one-story manufacturing facility. The company will spend approximately \$2.5 million in additional equipment over the next three years, as well as add a minimum of 31 new employees to its present payroll of 166 when the new facility is completed. Estimated completion of the project is spring/fall of 1997. Mr. Shine also pointed out that the company has already added 20 new employees to its Indianapolis Rd. facility that will transfer to the new location upon its completion. These 20 new employees are over and above the 31 new employees listed on the application. Mr. Shine also showed the Commissioners several drawings outlining the facility design and tool/machinery layout.

Mr. Mark Michael, Vice President of Ft. Wayne Metals, also provided some background information. He said the company was founded in 1970 and he has been employed there since 1973. The company averages a 20% growth rate a year. Mr. Michael stated that fiscal year 1996 reflected a 30% increase.

Ft. Wayne Metals is a wire drawing company but differs from the others in that most of its product is used for implantation into the human body. The company rolls steel into flat wire which is sold to medical device companies that make a variety of medical products. However, some of the cables produced by Ft. Wayne Metals are so close to a finished state, that the company is registered with the FDA as a medical device manufacturer and is, therefore, also subject to the audit said designation requires.

Mr. Michael said that a year ago, when the Indianapolis Road plant was "bursting at the seams," the company decided to build a second facility instead of expanding the existing one. This decision was made in order to maintain the "family atmosphere" of the company's operations and the smaller ratio of employees-per-facility, Mr. Michael said the company could have gone anywhere in the country to build a second facility but was happy with the local work force and the Ft. Wayne community overall. However, both facilities had to be in close proximity to each other physically which is why the Baer Field Industrial Park was the best location.

Mr. Michael discussed more information including:

- 1) The facility would be 45,000 sq.ft. of production area, on one floor, with the office/mezzanine area making up the remainder of the 52,500 total.
- 2) Expansion capability allows up to 72,000 additional sq.ft., if desired
- 3) The average wage earner at the company made \$15/hr. plus benefits, earning around \$35,000 in salary.

- 4) A need for an additional 60 employees is anticipated by the end of the third year--over and above that 31 listed on the application.

In response to Mr. Hill's question, Mr. Michael said the company's annual sales were \$25 million, and that 14-17% of that amount came from overseas sales. He did expect that area of sales to expand. He said a variety of factors were driving the growth of Ft. Wayne Metals, such as the aging of the baby boomer population who will probably have heart disease and need the devices which utilize his company's product. The company expects an 8% "ingrained" growth rate annually from this factor alone.

Mr. Powell asked what the increase to payroll would be for the 31 new employees and Mr. Michael estimated approximately \$1.054 million. He stated that the majority of new payroll will occur in the existing facility for additional R&D (Research and Development) engineering support and technicians on the floor developing new products. Mr. Michael clarified that the manufacturing of existing product lines will be moved to the new facility in order to open up more space for R&D at the existing location for new product development.

Mr. Fletcher questioned the \$1million/yr. additional equipment that was mentioned earlier. Mr. Michael responded that the figure was an extrapolation from last year's (30% growth) equipment purchase but that actually equipment purchase is a straight line percentage based on each year's sales. He did not specify the percentage. He did clarify a company objective to increase sales of the value-added products that can be used for more than one purpose. This minimizes capital investment (for equipment) and maximizes sales revenues. However, the company presently invests heavily in equipment.

Mr. Fletcher asked Mr. Shine if there were any architectural restrictions in the Baer Field Industrial Park. Mr. Shine clarified that there was an architectural design "approval" but no "restrictions" per se.

Mr. Powell asked what deductions Ft. Wayne Metals was asking for and Mr. Shine replied the maximum of ten years on real property and five years on personal property. (equipment)

Mr. Powell asked if there were any other speakers on the Ft. Wayne Metals tax abatement application.

Mr. John Stafford, Strategic Planner for the City of Fort Wayne

Mr. Stafford stated that this abatement application was quite similar to the Gildea Tool application that the Commissioners debated last month. He said that the ongoing issue has been the applicant's desire, understandably, for maximum tax abatement offered by local government, but in an area that local government desires to maximize tax revenues in order to fund badly need utility improvements in that same area.

Mr. Stafford reminded the Commissioners that a Memorandum of Understanding (MOU) between eight local City and County agencies, including the Commission, had been signed last month concerning the area in question. Said area includes the Baer Field Industrial Park and the Commission's own Baer Field Economic Development Area (EDA), among others. Mr. Stafford stated that a component of the MOU, which is a "broad framework" of how to solve the problems in this area, includes capturing TIF

(tax increment financing) revenues from designated Economic Development Areas, and the Ft. Wayne Metals site is located within such an EDA.

The Commission, Mr. Stafford acknowledged, sits in the unenviable position of balancing the needs of the business community requesting tax abatement and the City objective to protect and maximize revenue streams that will fund critical sanitary sewer and water projects for the same area being abated.

Mr. Stafford addressed two points:

1) He said the City will again, as it did for the Gildea Tool application last month, replace the three years of lost TIF revenues that would have been generated by this project, should the Commission approve (only) a 3-year abatement. Mr. Stafford did not specifically state if three years applied to both real and personal property. He said that in the Gildea case, the Commission ultimately approved a higher abatement period of six years on real property and five on personal property and that the City would "cover increment on that one for three years and offer you the same here."

Mr. Stafford stated that the City's offer to replace lost TIF revenues would provide some balance, therefore, by providing opportunity for substantial abatement on the project for business yet protecting a stream of revenue that can be used to leverage financing, such as bonds, for utility improvements in the area.

2) He would like to point out that in the case of this application (Ft. Wayne Metals), tax abatement application was not filed until after the project had been started. A longstanding policy of the City, and he mentioned a 1980 abatement application by St. Joe Medical Bldg. that was denied for this reason, was that abatement opportunity was lost if improvements tied to the tax abatement were begun prior to the date the abatement application was filed. This particular situation has occurred with the Ft. Wayne Metals project.

Mr. Stafford stated that the Redevelopment Commission also adopted a policy at that time stating it would only consider abatement applications filed after construction had begun *if* there were "extenuating circumstances." The City was not aware if this policy was still in place with the Commission, but if not, would ask that should the Commission approve some tax abatement for Ft. Wayne Metals that it address the point raised by the 1980 policy.

The City, as indicated by Mr. Stafford, felt there were extenuating circumstances in the Ft. Wayne Metals case. He said the applicants had approached City staff long before filing its current abatement application and had asked if abatement was allowed in the subject area. City staff told Ft. Wayne Metals at that time that no abatement would be given in that locality and not to apply.

However, in the ensuing months, the Gildea Tool application was made and at the end of a process that involved much discussion and debate, limited tax abatement WAS approved. This was, therefore, contradictory to the information Ft. Wayne Metals received from City staff earlier. Due to this apparent incongruity, an application was then filed. Mr. Stafford said the *intent to file* for abatement originally, prior to applying for a building permit, was clearly established and that due to extenuating circumstances (City reversed its

policy after construction started) the filing date should not be a reason for abatement denial.

Mr. Stafford stated then that should abatement be approved, the City would replace lost TIF revenues based on a three-year abatement period on real property only. UDAG recapture monies would probably be used as the funding source. He added that lost revenues due to personal property (equipment) abatement would not be covered by the City, just as it was not in the Gildea case.

Mr. Hill asked Mr. Stafford if the GE warehouse project applied for abatement. Mr. Stafford said it did not. The question prompted Mr. Stafford to clarify that this project (Ft. Wayne Metals), the Gildea Tool, and the GE warehouse project were all located in City designated "red" zones. He said normally projects are not allowed to site in red zones because of "deficient sewer capacity" in those areas. However, the Board of Works has waived the red zone requirements for these specific developments only (because of low sewer/water use by the companies) with the understanding that steps would be taken soon to remedy the utility problems.

Mr. Powell asked what message would the Commission be sending to the other entities involved in the MOU, if the Commission continues to approve abatement in this area. Mr. Stafford responded that by granting tax abatement without attempting to capture some TIF revenues would possibly infer to the parties that the Commission was trying to avoid sharing in the costs associated with solving the problems in the area.

Mr. Powell asked if any of the other entities have voiced concern over the granting of abatement, i.e., the Gildea approval. Mr. Stafford stated that he and Mr. Fletcher have had numerous discussions with the County Redevelopment Commission concerning both Gildea and Ft. Wayne Metals abatement applications. There is an ongoing effort to keep everyone informed as to the issues at hand, the circumstances, etc. Mr. Stafford also commented that, in his opinion, if abatements continue to be granted consistent with the Gildea Tool approval, it will not reflect a substantial breach of the intent of the MOU. He stressed that was his opinion and did not necessarily reflect the opinion of the other agencies, so be aware of that concern. He advised talking with the other agencies, and keeping them aware of what's on the agenda, the decisions, the reasoning, etc.

Mr. Powell asked if City Council had approved the application and under what reasoning if so. Mr. Stafford stated this application, unlike the Gildea Tool, is in the "right sequence" in that applications normally go before the Commission first, and then Council afterwards. Therefore, this application will go to Council for introduction next Tuesday after this Commission has made its decision since the property is in the Commission's Economic Development Area.

Mr. Fletcher reminded the Commissioners that the MOU does state that if other resources are available, they will be considered as well. He said the City's offer to use UDAG recapture funds to reimburse the Commission for lost TIF revenues on real property is such an example. Mr. Fletcher also mentioned that the City was preparing an application to submit to the IDOC for a \$1.5 million grant or, at very least, a low interest loan for a funding source in this area. Again, these "other resources" would assist the Commission in encouraging development in the area which is needed in order to increase the tax increment revenues for funding the utility projects.

Mr. Stafford commented briefly on the UDAG monies:

- 1) those monies are not an indefinite source. He was unsure if they would even be available to offer on the next abatement application in this area, and
- 2) the City wants to offer that replacement money "only to the extent that it is necessary." He stressed that once development builds in that area, the various revenue streams will be more fully supported. It will be prudent, in the larger economic development picture, to save those UDAG monies for future projects that need some type of help.

Mr. Hill commented that his thoughts on the subject were the same as he expressed at the December meeting with the Gildea Tool application. He thought TIF was not the appropriate financing mechanism for solving the problems in this area. Again, he has seen no criteria from the City yet as to why full tax abatement should not be granted, even in this area with its accompanying problems. Mr. Powell echoed Mr. Hill's comments.

Mr. Fletcher asked Mr. Stafford when the City would have a tax abatement policy in place. Mr. Stafford stated a policy will be proposed to City Council in order to effect policy at the Council level. He did not give a specific timeframe. He also stated it was anticipated that the Commission itself would be adopting a policy for abatement within its urban renewal/economic development areas, especially those affected by TIF.

Mr. Hill motioned for approval of Resolution 97-7 based on a six-year abatement for real property and five years on personal property.

More discussion occurred, before the motion was seconded, as follows:

Mr. Fletcher pointed out that in every other Commission urban renewal/economic development area in the City, this abatement problem did not exist because the revenue stream was not affected adversely. Moreover, the infrastructure problems were never this extensive in any of the other areas. TIF revenues have been sufficient to cover a bond issue or fund necessary individual infrastructure projects.

Mr. Hill added that the definition of the other areas was quite different as well. Those areas all had significant existing development from which to draw TIF revenues immediately. The Baer Field area, however, is predominantly undeveloped and there is no established revenue stream to absorb the temporary loss of revenues due to tax abatement.

This fact is why Mr. Hill suggested that the planners go back and resize the southwest project area into a smaller piece. He recommended including existing development with adjacent sections of undeveloped property of manageable proportion. The Commission financed the downtown projects in this fashion, small increments at a time. As projects were completed and abatements periods ended, new projects that were just coming on line could utilize abatement without doing great damage to repayment of previous project funding sources, such as TIF revenues.

Mr. Fletcher responded that he discussed with the City the concept of breaking the area down into smaller segments. He said the engineers were currently looking at that possibility. Mr. Fletcher, too, was not comfortable with the idea that the initial development projects in the area would have to bear the entire



burden of funding utility improvements (through capturing full TIF increment), yet subsequent developments would enjoy the benefits of full tax abatement periods.

Mr. Stafford suggested then that more information be obtained about what sewer improvements in the southwest area were absolutely necessary at the outset. He thought there might be a good possibility that some improvements could wait. He further commented that if this were the case, it would lower the amount of initial capital needed, thus easing the demand on TIF revenues to some extent.

The Commissioners looked over a handout prepared by staff that examined the projected revenue stream based on the four current developments, Tuthill, GE, Gildea Tool and Ft. Wayne Metals. Based on paying off a \$1.6 million dollar bond, and existing abatements for two of the other three companies, it was shown that even if zero real property abatement was approved for Ft. Wayne Metals, there would still be negative TIF revenues in the district until the 13th year.

Mr. Fletcher stated that there was a possibility that the BOW would return to its original position of disallowing any further development in this area until some sign of progress (with regard to utility projects) is shown. Mr. Stafford echoed that possibility.

The Commissioners looked at another handout comparing Ft. Wayne Metal's projected tax savings utilizing a 6-yr and 3-yr real property abatement with Gildea's 6-yr real property tax abatement. Mr. Fletcher stated Gildea's percent of savings versus investment, based on the 6-yr. real/5-yr. personal abatement, was 6.69%. Ft. Wayne Metal's percentage on the same scenario would be 6.02%, even though its total investment was \$5.5 million as compared with Gildea's \$.84 million.

Mr. Hill motioned a second time to approve Resolution 97-7 with a six-year real property abatement and a five-year personal abatement. He further stated that the Resolution be amended to reflect the Commission's acknowledgement and approval of Ft. Wayne Metal's abatement application as being submitted under extenuating circumstances because construction of improvements commenced prior to final approval by the City Council. Mr. Hill referred to preceding discussion concerning the details of the extenuating circumstances.

Mr. Drees did second the motion and Resolution 97-7 was approved unanimously, as amended.

Discussion - Plaza Membrane Waterproofing Project

Mr. Chris Baker of Martin Riley Mock Architects explained to that Commissioners that an issue of contention with Hagerman Construction Corp. has resulted from the Commission withholding, in conjunction with his company's recommendations, more retainage monies than Hagerman would like. Hagerman was requesting full payment on the project with the exception of a few thousand dollars. However, in Martin Riley Mock's opinion, as well as Commission staff, holding back such a small amount was not justifiable based on remaining work to be done on the project, mostly weather related.



Mr. Baker said he recommended holding at least \$10,000 because a large portion of the landscaping/irrigation work was done at the "wrong" time of year (late fall/winter) which could impact survival rate, drainage, etc. Even though a warranty was in place on the various work, his company's past experience proved that retainage monies provided more incentive for companies to finish work promptly than did relying on replacements or adjustments offered under a warranty. Mr. Baker added that holding the \$10,000 until spring only reflected 2% of the approximately \$508,000 Hagerman contract, a percentage Martin Riley Mock did not see as unreasonable at all.

Mr. Fletcher commented that the Commission had hired Martin Riley Mock to protect its interest in just such a manner and that he had no reason to question the \$10,000 amount. He asked Mr. Baker to further comment on the reasons for the dollar amount, as outlined in the January 2, 1997 letter to Mr. Fletcher which had been distributed to the Commissioners, as follow:.

New irrigation system has not been fully tested. Mr. Hill asked if there was a time period within which the Commission had to accept the system. Mr. Baker said it was around the end of July (1996). Mr. Fletcher commented that this project had been "drug out" for a long time which resulted in work items being done long after acceptance dates. Mr. Baker concurred with that concern.

Mr. Baker added that Hagerman has now opted to withhold payment to his subcontractors on the disputed items, although the delay in the project, especially the landscaping, was partly due to Hagerman's "lack of timely execution" of the project. He indicated that at the bi-weekly progress meetings, it appeared work kept getting pushed back or put off and Hagerman kept giving the Commission staff and Martin Riley Mock the same reasons every meeting. Unfortunately, the landscaper is the one suffering now and complaining to Martin Riley Mock. Mr. Baker informed the subs to take the issue up with Hagerman, not the City, County, nor Martin Riley Mock.

Planting of shrubs and other landscaping was done after December 1st and most landscapers were not planting at that time. Mr. Baker was not comfortable that the plant materials would bloom in the spring, given the very cold temperatures that followed the plantings. There was a one-year guaranty on all shrubs, but he recommended not relying on the warranty for satisfaction.

Two shrubs still need to be planted.

Replacement of two existing 2X2 pavers that were broken by Hagerman went in to start construction. Hagerman did agree to withholding monies for that item and the amount.

Ground cover still needs planting, due to the lateness in the season when landscaping materials went in. Hagerman has agreed to include these monies as part of the retainage.

Some mulch cover has settled and should be reinforced to the specified rate of coverage/depth. Settling has occurred due to the dirt underneath the mulch having settled.

Soil condition/content in the planters is not yet quantified. There is a concern that the replacement soil has a much higher clay content than the soil that was removed. Tests to determine this situation cannot be made until the weather

warms up. Should there be too much clay, replacement or corrective action will be necessary which may be quite expensive. Mr. Baker estimated costs, depending on extent, could run anywhere from \$3,500-\$12,000.

Mr. Fletcher added that the clay problem existed around the entrance to the parking garage as well because insufficient topsoil was added when the shrubs were planted. Due to the remaining high clay content in the soil, Mr. Fletcher said about 50% of the plants were lost. In order to solve the problem without tearing up all the planting, Tom Cain (Urban Designer for the City) had Hagerman bore holes into the soil all around the plants to a sufficient depth so as to allow for drainage.

Mr. Fletcher remarked that Hagerman contends now however, that Tom Cain reviewed the refilling of soil into the planters and ok'd it at the time planting was done. Mr. Fletcher said he told Hagerman that Mr. Cain was not officially working on the project and regardless of whether Mr. Cain did or did not give an OK, the ultimate responsibility for insuring the plantings were done correctly and according to specs lay with the contractor.

Mr. Hill asked if the Commission still held Hagerman's bond, which it did. However, Mr. Baker commented that it was a common practice for his firm to hold monies back for incomplete work per contract even if the Owner holds a contractor's bond. Trying to get your money from the bond company turns out to be more hassle than its worth in his opinion.

Mr. Hill suggested requesting a letter of credit to cover the amount Hagerman disputed. However, upon confirming that only \$10,000 of the \$508,000 contract was in dispute, he said a letter of credit would be more expensive to pursue than would be worthwhile.

Mr. Hill's other concern was if there had been any specific time period within which the Commission was required to accept/reject the completed work, or do a final inspection. Mr. Fletcher stated he had received a date of substantial completion, which he gave to Mr. Baker.

Mr. Baker stated that the Commission (and County) did accept work that had been completed up through approximately November 27th. However, the items referred to in his January 2nd letter were brought up as not being completed nor acceptable. He said the seven items were discussed and the punch list written to include the requirement that these items be completed as soon as possible in the spring.

Mr. Fletcher summed up the discussion by stating he had Mr. Baker address the Commissioners on the issue so that they would be aware of the situation and to make any disclosures part of the public record. He also wanted the record to show that the Commissioners were in agreement on the situation.

Mr. McElhoe motioned to hold the money back until work had been satisfactorily completed. Mr. Hill did second the motion. Mr. Powell abstained from voting and Martin Riley Mock and Hagerman Construction Corp. were clients of his law firm. By vote of three yeas and one abstention, the motion carried.

The Commissioners took a small break from the meeting at this time.

The first part of the paper discusses the importance of maintaining accurate records of all transactions. It is essential for the company to have a clear and concise system in place to ensure that all data is properly recorded and stored.

In order to achieve this, the company must implement a robust accounting system that can handle all types of transactions, including sales, purchases, and expenses. This system should be able to generate reports and statements that provide a clear overview of the company's financial performance.

Furthermore, it is important to ensure that all records are kept up-to-date and accurate. This requires a commitment to regular audits and a strict adherence to accounting principles and standards.

The second part of the paper focuses on the importance of maintaining accurate records of all transactions. It is essential for the company to have a clear and concise system in place to ensure that all data is properly recorded and stored.

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The fourth part of the paper discusses the importance of maintaining accurate records of all transactions. It is essential for the company to have a clear and concise system in place to ensure that all data is properly recorded and stored.

Mr. Fletcher handed out a letter from Hagerman Construction on a different but related issue. The letter concerned the issue of "damages" fees due the Commission and County, as per contract, since the project was not completed on time. The deadline was December 31, 1995 and the garage did not open until March 1996. Hagerman asked that the Commission "forgive" the \$32,000 in damages since the company spent \$110,000 of its own money to heat the garage through severe cold in order to complete the project as soon as possible--at the request of the City. Mr. Fletcher said the City needed use of the garage as soon as possible because City employees had been parked in temporary lots during construction, and those parking spaces were not going to be available much longer.

The County Commissioners had been contacted about the issue since the County was paying half the expense of the project. Mr. Fletcher stated County Commissioner Jack McComb indicated that the County had no problem forgiving the \$32,000 under the circumstances. However, Mr. Fletcher stated he wanted a letter from the County Commissioners confirming this opinion before he ok'd forgiving the fee. Mr. Hill supported that precaution as well.

After some general discussion concerning the problems causing the project to miss its deadline, it was determined that Masolite's inability to erect sufficient number of precast supports a day, due to labor shortage, was the number one factor.

There was no further discussion.

Resolution 97-8

Approving the selection of a Paying Agent for the Redevelopment District Tax Increment Revenue Bonds of 1992 (Illinois/Getz Road Economic Development Area)

Mr. Fletcher explained that the time of issue, the Commission decided to be its own paying agent, as it had done on other issues. However, Mr. Fletcher felt that the banks were better equipped to handle paying agent duties efficiently. He directed the Commissioners attention to the attached quote comparison and stated that of the three solicited, Fort Wayne National Bank was the lowest.

Mr. Hill motioned to approve said Resolution and Mr. Drees did second the motion. It passed unanimously.

Resolution 97-9

Approving the settlement with Indiana Textile Company and related appraiser fees

Mr. Kravig explained that the jury found in favor of Dan and Rose Ann Turner in the lawsuit brought by the Turners against the Commission. The jury awarded a value of \$431,000, which was \$91,000 more than the \$340,000 that the Commission initially paid into court. The \$340,000 figure represented the value as determined by three court-appointed appraisers.

The Commission paid a total of \$107,000 plus change in settlement of the lawsuit. That amount included the services of appraisers Ron Gettel and Larry Misner amounting to \$3,265 & \$3,750 respectively, as well as 8% interest due on the

\$91,000 since the day the Commission took possession of the property. Court costs of \$2,500 were also included in the grand total.

Mr. Fletcher commented that the Commission has negotiated approximately 30 acquisitions, including relocation costs, with an approximate \$5.2 million dollar bond. There have been very few lawsuits and very few losses. He did not consider the Turner suit a loss since they had wanted \$500,000 from the beginning and they only received \$430,000.

Commission counsel, Mr. Boyer, asked that the work "settlement," contained within the paragraph after number "1" be changed to "payment" since there were still come relocation costs for Mr. Turner that were in dispute. Those costs could end up in a lawsuit again, according to him. Therefore, no true settlement has been reached yet.

Mr. Hill, amending Resolution 97-9 in accordance with Mr. Boyer's recommendation, motioned to approve said resolution. Mr. McElhoe did second the motion and it passed unanimously as amended.

NEW BUSINESS

Resolution 97-1

Approving a contract for professional legal services

Resolution 97-2

Approving a contract for professional legal services

Both of these resolutions concerned the standard Commission contracts to its legal counsel, John Wernet and R. David Boyer. Mr. Fletcher asked the Commission to consider these two similar resolutions together.

Mr. Boyer asked to address the Commission concerning Resolution 97-1, the contract with his firm. He said his partners asked that he inform the Commissioners that on other City business the firm was paid \$130/hr. The firm's normal fee (for non-City work) was \$150/hr. He stated the City increases the fees to its attorneys \$10/yr. whereas the Commission generally increases fees \$5/yr. He mentioned one year there was no increase because it was overlooked. He would like the Commission to consider at least \$120/hr, therefore.

Mr. Fletcher stated he had no problem with increasing the rate to \$120/hr. and Mr. Powell, who is an attorney by profession, remarked that even \$120/hr. was a bit on the low side in the Ft. Wayne market.

Mr. Hill motioned for approval of both Resolution 97-1 and 97-2 as amended to reflect a rate of \$120/hr. for each contract. Mr. McElhoe did second the motion and both resolutions were approved unanimously.

Resolution 97-3

Approving the Commission's budget for 1997

Mr. Fletcher handed out an itemization of the 1997 (and 1996) budget for the Redevelopment District General and Capital Funds. He stated the 1996 General

budget was \$252,487 and the 1997 budget was increased approximately \$6,000 to \$25,8,586.

Mr. McElhoe asked if there were any big changes to be pointed out and MR. Fletcher stated some dollars were "moved around: but that was not a big issue. Mr. Fletcher also mentioned that the budget was lean in comparison to other departments.

Mr. McElhoe moved to approve Resolution 97-3 and Mr. Hill did second. The motion passed unanimously.

Mr. Fletcher pointed out the Resolution actually approves not only the general but the capital budget as well which they had not gone over yet. He stated the capital fund is used for various purposes, including as a temporary financing source, or special circumstances funding source. It was a "rainy day" fund that was spent only if absolutely necessary.

It was not necessary to reapprove the capital budget since the figures were included in Resolution 97-3.

Resolution 97-4

Approving Change Order No. 4 to the Hagerman Construction contract for the Plaza Parking Garage Project

Mr. Lindsay stated that after the garage opened in March of 1996, some changes had to be made to the garage design very quickly for safety reasons and to facilitate traffic flow ease. These included curb cuts and additional striping, sidewalk cuts, conduit work, etc., which totaled an additional expense of \$2,845.

Additionally, Mr. Lindsay explained that the final landscape had not been determined at the time of contract signing, only an initial estimate of \$14,000. After consultation with the landscape consultant, it was recommended the landscape allowance be increased to \$30,000 in order to enhance the image and aesthetics of the new garage.

Mr. Lindsay stated that the final landscape design had been presented and discussed in concept at a Commission meeting last May or April by Tom Cain, the City's Urban Designer and said concept was approved at that time. Approval had been obtained by the County Commissioners as well to increase the allowance to \$30,000 as well.

The landscaping bids came in on April 12, 1996, and Mr. Lindsay itemized those as the landscaping contract (\$23,291), the irrigation contract (\$6,100), Hagerman's subcontractor markup, and some extra shrubs (\$140). The total came to \$30,569 which, after deducting the initial \$14,000 contract allowance, came to a landscaping total of \$16,569. Add the curb cut work of \$2,845 to the landscaping extra allowance of \$16,569 (\$30,569 - \$14,000), and a grand total of \$19,414 was added to the Hagerman contract.

Mr. McElhoe asked if the Commission was not aware initially that the curb cuts, etc., would be needed. Mr. Lindsay stated it was not evident until the garage was open and being used.

Mr. Fletcher elaborated that the radius on some of the entrances, especially on the employee lower level, was too tight. Cars could not make the turn adequately.

Mr. Lindsay reminded the Commission that the costs listed in the Resolution were total costs and that the County Commissioners would be paying fifty percent (50%) of the additional expenses.

Mr. Hill moved for approval of Resolution 97-4 and Mr. Drees did second the motion. Three Commissioners voted yea to approve and Mr. Powell abstained, again due to Hagerman being a client of his law firm.

Although it was not an issued that pertained to the punchlist items but rather had been discussed in previous discussions concerning the Plaza Garage, Mr. Fletcher also informed the Commissioners that recently a large chunk of concrete had fallen from the garage ceiling, apparently due to the expansion/contraction of the structure, onto the hood of his own car. It had left a big dent and many dings and scratches. He asked two people standing near the car to witness the damages.

There was no further discussion.

Resolution 97-5

Approving a contract with Misner & Associates, Inc., and Ronald E. Gettel

Mr. Kravig stated both contracts are associated with Wells Street Bridge project. He reminded the Commissioners that the City had been a federal grant to restore the historic bridge and establish a trail from the south landing of the bridge to Harrison Street. The trail will run along the St. Mary's River.

The project is in the process of being bid, per Mr. Kravig, but right-of-way acquisition was required for the trail before bidding. Consequently, appraisals of the right-of-way properties and evidence of clear title (title insurance) were necessary. Mr. Kravig stated staff solicited quotes for appraisal services from four local MAI appraisers and Mr. Ron Gettel and Mr. Larry Misner were low bidders for "review appraiser" and "appraiser," respectively.

Mr. Hill asked if there was to be one contract including both appraisers and Mr. Kravig replied no. Mr. Hill suggested amending the Resolution's first paragraph after "NOW, THEREFORE," to state "are awarded contracts" instead of "are is hereby awarded a contract," so as to reflect two separate agreements.

Mr. McElhoe asked how long the trail was supposed to be. MR. Kravig stated it would be approximately 400 feet. He clarified that apedestrian will cross the bridge from the north to wouth landing, turn left, and walk along the St. Mary's until Harrison Street was reached. Mr. Karvig stated the ultimate goal was to get that pedestrian to continue across Harrision Streetinto Headwaters Park. It was hped that the bridge would serve to tie the Bloomingdale neighborhood located north of the river to the downtown and Headwaters Park.

Mr. McElhoe asked if the amounts quoted by the appraisers did not seem excessive. However, Mr. Fletcher stated that the appraisers would be appraising five parcels, plus commercial building(s), and a dock. Moreover, the appraisers had to appraise the "damages" to adjacent property, if any, caused by the taking of property for the right-of-way.

Mr. Fletcher further stated that the Commission would actually be buying part of a building, taking that part down, and constructing another wall, plus moving the dock.

He said the rule-of-thumb estimate for appraising commercial property, depending on how complicated the acquisition, was \$3,500-\$4,500. He added that appraisals for Headwaters Park acquisitions averaged around \$1,900 for each parcel. Mr. Hill commented that the appraisers have also done a good job in that the Commission has not had to go to court over very many values either.

Mr. Drees motioned to approved Resolution 97-5 and Mr. Hill did second the motion. It passed unanimously.

Resolution 97-6
Approving a contract with First Land Title Company, Inc.

Mr. Fletcher stated this resolution was for the same project and the work was needed for acquisition of the five parcels. Mr. Drees asked if the amount was reasonable and Mr. Fletcher responded yes, in that title search was \$150 per parcel and \$50 for actual title insurance, for a total of \$200/parcel.

Mr. Drees motioned for approval and Mr. Hill did second. The motion passed unanimously.

Discussion - Wells Street Bridge

The application of project funding was discussed at this time. MR. Fletcher explained that the City received a grant of approximately \$650,000 for the project, a portion of which had to have local matching (dollars). Moreover, the local agency (City, in this case) was required to fund 100% of the preliminary engineering, a cost estimated initially to be \$40,000. The Commission has previously agreed to pay for the preliminary engineering up to \$40,000 with the Parks Dept. begin responsible for any overage. The Commission has yet to received an invoice billing for these services, however, over the past year and a half.

Mr. Hill asked if staff could get an estimate on what's been spent so far on preliminary engineering, but MR. Fletcher and Mr. Kravig advised against asking at this point. The opinion was the the Commission should not get too involved because it was a Parks Dept. project, even though the project funding was put in place by the Commission. The reasoning was that the Parks Depts. would own the trail property and the project really functioned as a recreational-tgype entity.

However, Mr. Fletcher wanted all the Commissioenrs to understand that in addition to the \$40,000 that has been committed for preliminary engineering, the Commission is now spending additional money on the project for other work, such as appraisals, title insurance, etc.

Discussion - Southwest Area Infrastructure

Much of the southwest area problems were already discussed during the Ft. Wayne Metals tax abatement application. Mr. Fletcher did mentin that some concerns involving the southwest area may change in regards to engineering work that it currently in process. He said what was first considered the problem has now changed, in that the areas where projects must occur (to resolve the problem) have been altered.

Until more details are known, he thought it best to hold off on any more discussion of the southwest area and its infrastructure situation.

Mr. Powell suggested staff getting together with Mr. Drees to provide some background information on projects. MR. Fletcher stated he would, which was what he normally has done for all new Commissioners. Unfortunately, the recent court cases have prevented him from being available to do so.

Mr. Drees commented briefly on the tax abatement situation, based on his work in public accounting and with the Chanmber of Commerce, in that it favors outside investment. New companies looking to come into Ft. Wayn e or Allen County are wooed with all kinds of incentives but the companies that are already located her seem to get much less attention and assistance.

Mr. Hill added that not being able to allow full abatement terms in the southwest area was a definite di-incentive. Industry will go to other areas where it can get full abatement (10 years presently) unless it really wants to be near the airport. He asked if there were any other TIF areas where the Commission has approved less than 10 years abatement. Mr. Fletcher stated no, but that again, no financing sources or obligations were affected by allowing abatement in any other TIF areas.

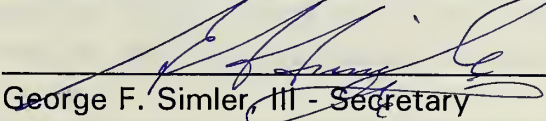
Discussion - 1997 Work Program

Discussion was deferred to the next meeting, especially since the Commissioners would be meeting on February 11th with the Partners for Livagble Communities group. Mr. Hill, Mr. McElhoe, and Mr. Drees all commented they would not be able to make that meeting as all would be out of town. Mr. Powell commented that perhaps rescheduling it would be better since the majority of Commissioners wouldnot be available. However, Mr. Fletcher asked that they put the meting on their schedules anyway and that he would have to discuss moving it with the downtown group and let everyone know.

Before adjournment, Mr. Fletcher gave each Commissioner the innital drafts of a Redevelopment Commission tax abatement policy and rating system for their review and comment.

The meeting adjourned at aproximately 7:00pm.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III - Secretary

ADOPTED: _____ February 17, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

February 17, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: John B. Powell - President
George F. Simler, III - Secretary
Steven E. McElhoe - Member
R. Steven Hill - President

MEMBERS ABSENT: R. Lawrence Drees

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Paul Niccum - Peg Perego USA, Inc.

CALL TO ORDER

Mr. Powell called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that Commissioner Larry Drees was not present at the meeting but may possibly join it later.

ELECTION OF OFFICERS

Mr. Powell asked for nominations for the office of President and stated if nominated he would decline. Mr. Simler nominated Mr. Powell anyway for another term as President. Mr. Powell thanked Mr. Simler for that nomination but nominated Mr. Hill for President, stating he thought it time he passed the gavel to another Commissioner. There were no other nominations.

Mr. Hill moved that nominations for Commission President be closed and Mr. McElhoe did second the motion. Mr. Hill called for a vote from members as to electing Mr. Hill as President and Mr. Hill was elected by unanimous consent.

Mr. Powell called for nominations for Vice President. Mr. Hill nominated Mr. McElhoe and Mr. Simler did second the nomination. Mr. Simler motioned to close nominations and Mr. Hill did second the motion. Mr. Powell called for a vote to elect Mr. McElhoe as Commission Vice President and Mr. McElhoe was elected by unanimous consent.

Mr. Powell asked for nominations for Secretary. Mr. Simler nominated Mr. Powell and, again, Mr. Powell declined the nomination. Mr. Powell nominated Mr. Simler, but Mr. Simler expressed concern that Commission staff was often inconvenienced by the need to run to his house for signatures. He felt that someone located downtown would be a better candidate for Secretary. Mr. Powell proposed to serve as Asst. Secretary in case signatures may be needed and Mr. Simler was unavailable. Mr. Boyer, Commission Counsel, advised that designation of such an office as Asst.

Secretary was within the Commission's powers. Mr. Hill amended Mr. Powell's nomination of Mr. Simler by adding that Mr. Powell then be nominated as Asst. Secretary to Mr. Simler as Secretary. Mr. McElhoe did second Mr. Hill's amended nominations. Mr. Hill motioned to close nominations for both offices. By unanimous vote, Mr. Simler was elected as Commission Secretary and Mr. Powell was elected to the newly formed office of Asst. Secretary.

As the newly elected President, Mr. Hill chaired the remainder of the meeting.

APPROVAL OF CLAIMS

Mr. Hill called for a motion to approve the December 1996 Claims. Mr. Powell motioned for approval and Mr. McElhoe did second. The motion passed unanimously.

APPROVAL OF MINUTES

Mr. Hill called for a motion approving the January 22, 1997 regular meeting minutes. Mr. Powell motioned for approval of same and Mr. McElhoe did second the motion. The minutes were unanimously approved.

OLD BUSINESS

None

NEW BUSINESS

Resolution 97-10

Approving a land use agreement with the March of Dimes Birth Defects Foundation for use of the former Indiana Army National Guard Armory

Mr. Kravig explained that this would be the second year that the March of Dimes Walkathon would utilize the Armory site. This year's agreement was exactly the same as last year's, which was approved by the Commission. Mr. Kravig confirmed that the organization does not use the building at all, but simply erects a tent for use as the staging/origination point for their event. The event will take place in April of 1997.

Mr. Powell asked if the walkers had to cross Clinton Street, as he was concerned with the safety aspect. Mr. Kravig responded there would be no Clinton crossing by Walkathon participants and that the event route is coordinated with the police department for maximum safety considerations.

Mr. Simler motioned for approval of Resolution 97-10 and Mr. Powell did second the motion. Said Resolution was unanimously approved.

Resolution 97-11

Approving a contract for engineering and design services

Mr. Fletcher stated the work associated with this resolution would be further discussed later in the meeting as part of the 1997 Work Program.

Mr. Kravig explained that Headwaters Park was nearing completion and the Commission needed to look at sprucing up the Calhoun and Barr Street corridors as pedestrian linkages from the Park into downtown and vice versa. By NOT tending to

these corridors, Headwaters Park would be physically and perceptually isolated from the rest of downtown. This would be contradictory to one of the Park's purposes, which is to be an integral part of downtown and to bring people from the downtown to it, both on a casual basis (lunch in the park) and for special events.

Mr. Kravig explained that since the Headwaters Park improvements presently stop near Duck Street, the scope of work for Barr Street would be from Duck Street south to Main Street, with special emphasis directed along the railroad elevation. The intent was the establishment of a more *continuous*, and less threatening, pedestrian pathway along Barr Street. The current path basically disappears at the northern boundary of Freimann Square, with the remaining journey north to Headwaters Park offering undefined areas and a rather threatening atmosphere.

Likewise, Mr. Kravig said the same effect was intended on Calhoun Street from the Park boundary south to the railroad elevation. The area needed attention for the same reasons. Mr. Kravig indicated the type of work would be sidewalk reconstruction, some design aspects, tree installation, ornamental lighting, street resurfacing, etc. Design would blend with the design established by Headwaters Park. Mr. Hill asked about lighting under the elevation itself and staff responded that there was presently some lighting under the elevation, but that it needs maintenance. Enhancements to the elevation itself, such as screening, would probably not be part of this contract.

Four firms, MSKTD, McCrory & Associates, Grinsfelder Associates, and GAI Consultants, were asked to respond with quotes for the engineering/design work. Mr. Kravig said MSKTD declined to quote and McCrory came back with a rather high fee of \$47,500, as well as quoting a percentage of construction fee which is not how the Commission does business. Grinsfelder also quoted a percentage fee and Mr. Kravig stated the bid instructions did not specifically prohibit this type of quote. However, upon request, Grinsfelder did provide a flat fee of \$31,500. GAI Consultants bid at a total of \$29,750.

Mr. Kravig gave some background on GAI Consultants, since the Commission had not done business with the firm yet. His main point was that GAI was a company with national offices, however, until recently Ft. Wayne office did not have sufficient personnel to perform work locally--it was sent to other offices. That has now changed and Mr. Kravig stated he was familiar with the GAI personnel who would be handling this job for the Commission, as well as the subcontractors, Anderson Surveying and Earth Source, that GAI plans to use. Mr. Kravig stated he felt comfortable that GAI would do a good job if selected by the Commissioners.

In response to Mr. Hill's question, Mr. Kravig stated that Anderson would be doing just surveying work and EarthSource would be involved with the overall design elements, especially in the areas where the pedestrian linkages currently disintegrate completely.

Mr. Kravig stated both streets, Barr and Calhoun, would remain open with the exception of the northern terminus which would dead-end into Headwaters Park. At that point the street would be vacated and a turnaround or cul-de-sac would be established.

Mr. Boyer asked if Grinsfelder's fee included construction monitoring, since GAI's quote specifically broke that fee out from the flat fee. Mr. Kravig and Mr. Fletcher confirmed that Grinsfelder had included that fee in its lump sum bid.

There was no specific staff recommendation for either GAI or Grinsfelder because either company would be qualified. Mr. Fletcher only stated that GAI appeared to be the lowest bidder.

Mr. McElhoe asked if this project would become much more involved in the future and thus require additional monies. Mr. Fletcher stated the Commission would be building a parking lot further north on Clair Street for the Headwaters Park project, and possibly another parking site at the former Furniture Crafts location, but these projects were still being funded out of the \$5.2 million dollar Headwaters Park bond issued by the City.

Mr. Fletcher commented that Resolution 97-11 covered the conceptual design workup and preparation of construction documents in order to get the Calhoun/Barr Streets pedestrian linkages project to the point that a bid could be let.

Mr. Simler motioned to approve a contract with GAI Consultants, as low bidder, for engineering and design services. Mr. McElhoe did second the motion. The motion passed unanimously.

Resolution 97-12

Approving a contract with Anderson Surveying

Mr. Fletcher explained that this Resolution related to the portions of various streets that need to be officially "vacated" due to the construction of Headwaters Park, such as Calhoun, Barr, and Duck Streets. To do this, accurate surveys are required.

Mr. Hill thought street vacation had already taken place but Mr. Fletcher stated no, not formally. This would effectively serve to tie up any loose ends.

Mr. McElhoe motioned for approval of said Resolution and Mr. Powell did second. Resolution 97-12 was approved unanimously.

Resolution 97-13

Approving funding for the "Partners for Livable Communities" Study

Mr. Fletcher explained that the Commission had verbally agreed to fund \$5,000 toward the Partners study. This resolution formally approves that verbal commitment.

He also mentioned that the downtown Economic Improvement District (EID) had pledge to fund \$5,000 toward the study. However, the EID will not receive its first assessment allocation until the end of June 1997. The City, therefore, has asked the Commission to fund the EID's \$5,000 share, up front, from the Commission's capital fund. Mr. Fletcher stated he formulated an agreement with the City to reimburse the Commission \$5,000 when the EID's money is received on or about July 1, 1997.

Mr. Fletcher gave an update of the recent meeting that Partners had requested with the EID boardmembers and the Commissioners, as represented by Mr. Simler and Commission staff. Mr. Fletcher said the meeting mainly revolved around the EID's agenda and issues and not much was discussed that related to the Commission's concerns specifically. Therefore, he spoke with Bob McNulty of the Partners

organization, and Mr. McNulty agreed to come back and meet with just the Commission next time.

Mr. Fletcher stated the meeting was somewhat disappointing in that the EID people were asking for some very basic questions, such as how to set up committees, organization structure, by-laws, etc. Mr. Simler concurred, stating the Commission's \$5,000 investment had not been met certainly, because the EID boardmembers asked for very fundamental information that did not meet the needs of 75% of those present at the meeting. Mr. Simler did say that the two presenters from Partners were obviously very knowledgeable and would probably have provided valuable information to the Commission, had they been given the chance.

After further discussion, Mr. Fletcher stated that the meeting between McNulty/Partners and the Commission would be in the next month or so.

Mr. Powell motioned to approve Resolution 97-13 which ratified and approved the funding for the Partners Study. Mr. McElhoe did second the motion. The motion passed unanimously.

Resolution 97-14

Allowing the designation of property as an Economic Revitalization Area for Striker Corporation in the Centennial Industrial Park Urban Renewal Area

Mr. Paul Niccum, Director of Finance for Peg Perego, spoke on behalf of Striker Corporation's tax abatement request. He explained that Peg Perego assembles battery-operated childrens' toys. The company also has a line of high end quality juvenile products such as strollers, carriages, highchairs, etc.

Mr. Niccum indicated sales in 1996 were about \$45 million with sales being pretty evenly distributed between the toy line and juvenile line. However, the toy line is the area of highest growth.

The company presently occupies a 100,000 sq.ft. building on Independence Drive that houses offices, receiving, and assembly operations. There is an additional 60,000 sq.ft. warehousing facility just east of the main building, and both facilities take up about 11 acres of land. Mr. Niccum said Peg Perego the bought approximately 15 acres of land located directly across Independence Drive from its current location about one year ago. The company plans to build a new 125,000 sq.ft. toy assembly plant on that site.

As a result of the new facility, Mr. Niccum said that Peg Perego plans to add 25-30 fulltime employees. Seasonal employees are added during peak production periods. Although future expansion plans are not yet definitive, the new facility will allow for expansion.

More discussion concerning Peg Perego's production, customer base, the company's length of time in the area, etc. Mr. Fletcher also told the Commissioners that the new facility will be located on land that the Commission "opened up" for development in 1987 by adding 30 acres to the original Centennial Park Urban Renewal Area.

In conclusion, Mr. Niccum stated Peg Perego was applying for tax abatement on \$2.8 million in real estate improvements and \$0.0 in personal property improvement (equipment)..

For clarification, Mr. Powell wanted to confirm that the Commission's approval of abatement in this Urban Renewal Area did not affect any TIF revenue commitments. Mr. Fletcher assured him there was no problem and added that the Commission actually stopped collecting TIF revenues in Centennial Park as of last year.

Mr. Powell motioned for approval of Resolution 97-14 and Mr. Simler did second that motion. Said Resolution was approved unanimously.

Resolution 97-15

Approving the payment of fees from Centennial Industrial Park TIF revenues for professional engineering services for a feasibility study and report on roadway improvement in the Park

Mr. Fletcher explained that the Commission had approximately \$140,000 left in TIF revenues that had been collected previously from Centennial Park. Over the past year, both the City and Centennial Park's development association have indicated to him that a turn radius problem exists with many of the turns throughout the Park. Due to development of the area, increased truck traffic has put pressure on existing roads and curbs and, specifically, the many trucks traveling in and out of the Park often can't make a clean turn, due to a short radius, and ultimately run over the adjacent curbing. This is a direct cause of curb breakup and unsightly disrepair in the Park.

Consequently, Mr. Fletcher said the Board of Works has entered into a contract with Cole Associates to determine what type of transportation improvements, in addition to the radius adjustments, are needed in Centennial Park, as well as the priority of needed improvements. The City is anticipating approximately \$240,000 worth of work will be needed. It has asked if the Commission will participate in some manner with the costs. Mr. Fletcher added that Centennial Development Corporation had verbally agreed to invest approximately \$100,000 of its own money as well.

Mr. Fletcher proposed the Commission pay for the architectural/engineering study for the Park, which would still leave funds available for some type of construction use. He clarified that although the City estimates costs to be \$240,000 presently, total cost estimates were not truly known yet. However, the Commission would cap its contributions at the \$140,000 level, representing the balance of funds on hand.

After further discussion, Mr. Powell moved for approval of Resolution 97-15 and Mr. Simler did second the motion. Said Resolution was approved unanimously.

Discussion - Tax Abatement Policy

Mr. Fletcher indicated he had handed out the policy drafts at last month's meeting and asked the Commissioners to look them over. However, Mr. Fletcher was gone on vacation for two weeks, and then promptly fell ill last week upon his return. Therefore, has been unable to review the draft further.

He did ask the Commissioners to review the drafts again and that he would like to discuss it with several of them as soon as possible. He indicated Mr. Hill had volunteered already to work on getting the final draft hammered out and asked if anyone else was interested. Mr. Powell also volunteered.

Mr. Fletcher mentioned that the City was also working on a tax abatement policy, too. He mentioned the City policy is very similar to one of the drafts he had given the Commissioners. The City has made some changes but he did not have those exact changes yet, but thought they were going to be minor.

Mr. Powell mentioned that just prior to the meeting he had run across a suit in southern Indiana that involved the issues of tax abatement policies. He planned to dig further into that case and share those findings with the Commissioners.

There was no further discussion.

Discussion - 1997 Work Program

Mr. Fletcher went over some of the specific work projects for the 1997 as itemized on a handout given the Commissioners.

1. He mentioned again the improvements to Barr and Calhoun Streets as pedestrian corridors linking Headwaters Park to the rest of downtown as was previously discussed. He stated the immediate action was to hire an architect/engineer to design and draw up construction docs and bid the projects.
2. Mr. Fletcher touched on again on the Clair Street parking lot project which was presently being designed by Grinsfelder Associate Architects, as contracted by the Headwaters Park Commission. He commented that Headwaters was paying for the design of the lot as an inducement for the Commission to build it. He said the construction of the lot will be bid along with Phase V Park construction and split out the Commission's portion of expense as a separate Principal Bid and Alternate.
3. Sidewalk and curb improvement projects were scheduled for Columbia Street and the Landing, as well as along Calhoun/Wayne Streets around Midtowne Crossing. Mr. Fletcher stated this would require hiring an engineer/architect to identify the problem areas and put together bid specifications and bid the project. Reconstruction of sidewalks would be done where appropriate. Mr. Fletcher stated that the Commission would not necessarily pay for all these costs as he anticipated that the Board of Works would participate in funding these projects.
4. Mr. Fletcher mentioned the Centennial Park road improvement project again, as previously discussed. He stated again that the Commission can spend approximately \$140,000 for projects relating to the roadway improvement study, engineering, and construction work.
5. An on-going project for some time has been the construction of an elevator for the Jefferson Blvd. skywalk access which would serve the patrons of the Embassy, the Botanical Gardens, the Grand Wayne/Hilton Hotel, and, more generally, the Civic Parking Garage. Mr. Fletcher stated that the Commission

has approximately \$50,000 left over from an old bond fund that will be used to help fund the project. He stated both the Grand Wayne Center and the Botanical Gardens would be assisting in the funding of this project, however, the Embassy would not, citing lack of funds.

Mr. Lindsay commented that he had spoken earlier with the Commissioners concerning a special March 3rd meeting solely to open the bids for construction. Only one Commissioner need be present in order to open bids.

Mr. Fletcher asked Mr. Lindsay to make each of the Commissioners a copy of the elevator design and related documents.

6. As discussed at recent Commission meetings, an application for \$1.5 million in grant money has been put together for submission to the State for the Baer Field Industrial Park. Mr. Fletcher stated the finalization of the application cannot commence until further information has been received from the Utilities department concerning what infrastructure work *must* be done in the area. If the State grants the funds, then various projects will commence in the Baer Field area as needed.
7. The Wells Street Bridge/Bloomingtondale area is another area that Commission staff is looking at for a possible construction project not presently defined. Mr. Fletcher stated that there is ongoing work on the Wells Street Bridge restoration project, which is under the jurisdiction of the Parks Dept. He said the Commission will be involved in assisting with some property acquisition along the river to connect the bridge pedestrian access with Headwaters Park. Present Commission negotiations involved agreeing NOT purchasing certain property owned by Steckbeck in exchange or easement rights around/through the property. Mr. Fletcher added that actual construction/restoration of the bridge itself is scheduled for sometime this summer, funding for which has already been arranged. The only cost the Commission incurred was it agreed to fund the preliminary engineering costs.

Mr. Fletcher asked the Commissioners if there were any other projects that they thought should be added to the '97 Work Program. Mr. Hill asked if the Commissioners were scheduled for another planning/work session for such discussion, similar to what they've done in the past. Mr. Fletcher stated he had been holding off on convening a planning session until the Commissioners could meet with McNulty of the Partners group. However, if the next meeting with McNulty was not to be arranged shortly, he would go ahead and schedule one.

Mr. McElhoe inquired about the Court Street project. Mr. Fletcher stated that negotiations were still ongoing. He had met with Don Steininger recently concerning different scenarios and would be meeting later again in the week. The Mayor still was strongly supportive of the project and wants to see it through to fruition.

Mr. Hill asked the status of Lincoln Tower and some discussion ensued concerning the future market for that downtown landmark.

There was no further discussion of the '97 Work Program.

OTHER BUSINESS

Resolution 97-16

Approving a relocation agreement and release with Indiana Textile Company

Mr. Fletcher stated this Resolution settled the relocation aspect of the Indiana Textile Company as relates to the Headwaters Park acquisition. He said \$23,000 in relocation expenses were paid to the company approximately a year and a half ago in order to expedite its move from the acquired site. However, the company would not sign a final relocation agreement and Mr. Fletcher refused to pay any further monies, under advice of legal counsel, until an agreement was fully executed. The company finally did sign--just that day--and an additional \$25,000 in relocation expenses was paid for a total of \$48,000 in total relocation expenses for Indiana Textile. A breakdown of the expenses claimed by the company was distributed to the Commissioners.

Mr. Simler motioned for approval of Resolution 97-16 and Mr. McElhoe did second the motion. The Resolution was approved unanimously.

Mr. Hill called for discussion of any other business. Mr. Fletcher mentioned the Midtowne Crossing lawsuit with US Brick and the mediation that took place in the last several weeks. Mr. Lindsay told the Commissioners that mediation was not progressing and was dismissed after one day.

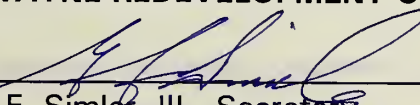
As for the Midtowne Crossing Associates lawsuit recently decided against the City, Mr. Fletcher stated the City has decided to appeal the decision, due to the position that perhaps the jury was not well versed in the complex issues of contract law. Appealing the case will allow a decision to be reached by three judges instead of a jury.

Mr. Fletcher also mentioned that an RFP (Request for Proposal) would be issued on the former Indiana Textile building that is located near Headwaters Park. Although the Commission does not own it, staff has put together the RFP since there has been interest shown by the private sector in reusing the property in some way. Mr. Fletcher said it was hoped that the first floor could provide some type of revenue generator for Headwaters Park. He stated that staff would provide the Commissioners with a copy of the RFP before it went out for distribution, which should be in the next 30 days.

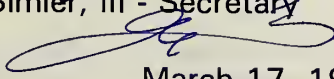
Lastly, Mr. Fletcher said that some interest has been generated in the 23+ acres of land recently donated to the Commission by the University of Indianapolis. He planned to meet with the neighborhood association representative and appropriate City Councilperson to discuss the possibilities for development.

With no further business to discuss, Mr. Simler did motion to adjourn the meeting and Mr. McElhoe did second. The meeting was adjourned at approximately 6:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III - Secretary

ADOPTED:  March 17, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

SPECIAL MEETING MINUTES

March 3, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 810

MEMBERS PRESENT: Steven E. McElhoe - V. President

MEMBERS ABSENT: R. Steven Hill - President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist

COUNSEL PRESENT: None

OTHERS PRESENT: Don Appenzeller, Vintage Archonics
Representatives from bidding firms

CALL TO ORDER

Due to the absence of Mr. Hill, Mr. McElhoe called to order this special meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that Commissioners Hill, Powell, Simler, and Drees were not present at the meeting.

NEW BUSINESS

Bid Opening - Jefferson Skywalk Elevator Project

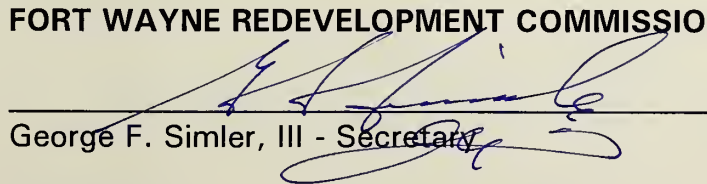
Four bids were received for the construction project of the Jefferson Skywalk elevator as follows:

<u>Bidder</u>	<u>Base Bid</u>
Fetters Construction, Inc.	\$ 88,200
Louis Lee Lengacher, Inc.	\$ 87,500
Schenkel & Sons, Inc.	\$ 94,028
Shawnee Const. & Engineering	\$104,000

Mr. McElhoe thanked everyone for the submission of bids and stated the bids would be reviewed further for compliance with all bid specifications and completeness. He stated that a formal award, conditioned upon project funding, would be announced at the Commission's regular meeting to be held Monday, March 17, 1997 in Room 128.

With no further business to discuss, the meeting adjourned at approximately 4:50p.m.

FORT WAYNE REDEVELOPMENT COMMISSION


George F. Simler, III - Secretary

ADOPTED: March 17, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

EXECUTIVE SESSION MINUTES

March 17, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: Steven E. McElhoe - V. President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: R. Steven Hill - President

STAFF PRESENT: Ronald R. Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Larry Misner, MAI - Misner & Associates, Inc.

CALL TO ORDER In Mr. Hill's absence, Mr. McElhoe called to order this executive session meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL It was noted for the record that Mr. Hill was not present at this meeting.

DISCUSSION

Discussion ensued concerning the purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties, as defined in Indiana Code 5-14-1.5-6.1(b)(2)(D).

It is hereby certified that all discussion of business at the March 17, 1997 executive session meeting of the Fort Wayne Redevelopment Commission pertained only to the subject matter above as allowed and referenced by Indiana Code 5-14-1.5-6.1(b)(2)(D) and as specified in the meeting's public notice.

The meeting adjourned at approximately 5:15pm.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: April 21, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

March 17, 1997

TIME: 5:15 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: Steven E. McElhoe - V. President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: R. Steven Hill - President

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Larry Misner, MAI - Misner & Associates, Inc.
Don Appenzeller - Vintage Archonics
Trisha Gensic - Ft. Wayne Dept. of Economic
Development
Members of the news media

CALL TO ORDER

In Mr. Hill's absence, Mr. McElhoe called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that Commission President R. Steven Hill was not present at the meeting.

APPROVAL OF CLAIMS

Mr. McElhoe called for a motion to approve the January 1997 Claims. Mr. Simler motioned for approval, subject to audit, and Mr. Powell did second. The motion passed unanimously.

APPROVAL OF MINUTES

Mr. McElhoe stated several Commissioners did not have page 2 of one of the Minutes and asked if that had been rectified. Mr. Simler and Mr. Drees indicated that it had since they had been able to review the page in question at the beginning of the meeting. Mr. McElhoe called for a motion approving the minutes of the January 22, 1997 Executive Session, the February 17, 1997 Regular Meeting, and the March 3, 1997 Special Meeting. Mr Powell did second the motion and all Minutes were unanimously approved.

OLD BUSINESS

None

NEW BUSINESS

Resolution 97-17

Awarding a construction contract for the Jefferson Boulevard Skywalk Elevator Project

Mr. Fletcher introduced Don Appenzeller from Vintage Archonics to talk about the design aspects of the project. Mr. Appenzeller stated that project planning began actually in late 1995, and that the construction phase was anticipated to take only a few months to complete. However, the construction was scheduled to coordinate with the construction of the Botanical Conservatory expansion, a move which would keep costs on the elevator project much lower. Unfortunately, the Conservatory expansion has experienced several delays which has consequently delayed the elevator project.

Mr. Appenzeller gave a brief overview of the project which entails installation of a 2-floor hydraulic elevator on the Embassy's northeast corner near the stairway to the Jefferson Boulevard skywalk. The construction phase was bid two weeks ago and quotes were very competitive, so much so, that the project will cost substantially less than anticipated.

Mr. Simler questioned the size of the elevator cab (5' x 7') as he felt many people would be wanting to use the elevator, especially in connection with Embassy events. Mr. Appenzeller concurred that the cab is not particularly large but that it alone represented 40% of the project cost; therefore, any larger dimensions would substantially increase the costs of the project, which would have been prohibitive. He added that the elevator was specifically being designed for disabled and handicapped users and that it was expected that other patrons would continue to use the stairs since it would be much faster. Mr. Fletcher also added that many months ago, a committee consisting of representatives from the Embassy, Hilton, Grand Wayne, and Botanical Conservatory had reviewed the design elements of the project and discussed size. The committee felt that, after weighing all factors, the present size was sufficient.

Mr. Fletcher commented that he was currently seeking funding assistance from the major benefactors of the elevator, which are the Embassy, Grand Wayne, Hilton, and Botanical Conservatory. He had asked representatives of the four entities to discuss the issue with their respective boards concerning funding an equal share of approximately \$11,300, which, collectively, would cover the balance of \$45,230 needed to complete the funding of the project. Mr. Fletcher stated that representatives of the Grand Wayne and Botanical Gardens already indicated informally that they would participate, but that the Embassy would be unable to do so. He was scheduled to meet with Dan Coleman at the Hilton later in the week to discuss SERVICO's participation. Mr. Fletcher expects all entities to have formally responded to the request for funding by the April Commission meeting. This will allow the Commissioners to adequately assess funding sources during their consideration of whether to go forward with construction.

Since construction might not occur if the project were scrapped, Mr. Boyer, Counsel for the Commission, amended some of the language in Resolution 97-17 to reflect awarding a contract for construction *conditioned upon* identification of funding source(s) for the project's unfunded balance of \$45,230. (The Commission has already pledged \$57,000 toward the project's cost.)

With the resolution so amended, Mr. Simler motioned for approval of conditionally awarding a contract to Louis Lee Lengacher, Inc. as the lowest and best bidder

(\$87,500), subject to identification of funding for the project's remaining balance. Mr. Drees did second the motion. The motion passed unanimously and Resolution 97-17 was approved as amended.

Resolution 97-18

Approving the waiver of liquidated damages due on the Plaza Parking Garage construction contract

Mr. Fletcher clarified that the Hagerman Construction Corp. construction contract for the Plaza Parking Garage called for the project to be substantially complete by December 31, 1995. However, the garage did not open until March 3, 1996. He stated that the overrun fee was \$500/day from January 1 to March 3, 1996, resulting in \$31,000 in potential liquidated damages.

However, Hagerman incurred substantial extra costs in enclosing and heating the structure, reported to be \$110,000, in order to continue the project through the winter months and expedite project completion. The company contended that the \$31,000 should be waived since it expended the extra \$110,000 to finish the project as soon as possible, at the request of City and County. Otherwise, Hagerman would have shut down construction on the garage and saved the heating/enclosing costs, opting instead to incur the lesser amount in liquidated damage charges. Mr. Fletcher told the Commissioners that shutting down construction would have meant a much delayed garage opening and City/County employee parking provisions would be severely compromised.

Mr. Fletcher stated that he had discussed Hagerman's request for waiver with the County Commissioners and they agreed to waive the \$31,000 in damages. A copy of their formal request was handed out to all Commissioners at that time. Mr. Fletcher recommended that the Commission approve waiving any claim to liquidated damages, too, just as the County had done.

Mr. Simler questioned reimbursing Hagerman for heating expenses during the winter since he contended that the company knew it may have to incur these costs when it signed a contract with such an aggressive deadline. Mr. Fletcher stated, however, that some of the construction delay was due to unexpected problems early on that had to be addressed, such as onsite water seepage. Also, delays by Masolite (subcontractor) in delivering sufficient quantities of precast concrete sections added to construction delay.

But largely, as Mr. Boyer reiterated, the issue centered around Hagerman's decision to accommodate the City and County by continuing construction through January/February instead of shutting down construction until warmer weather arrived. That decision was a gesture of goodwill on Hagerman's part to the City and County since shutting down and paying the \$500/day fee would have been better financially for Hagerman in the long run.

Mr. Fletcher commented that, in hind sight, shutting down may actually have been the better move since there are now concrete problems surfacing with the garage that may be a result of cold weather construction. He then informed the Commissioners that due to unsatisfactory conditions on the top level of the parking garage, the Project Engineer, Jerry Sermersheim of Contech Engineers, recommended holding back an additional \$10,000 in retainage on the contract until the problems can be identified and addressed. Mr. Fletcher clarified that this meant the Commission would release to Hagerman, therefore, approximately 21,000 from

the Plaza Parking Garage retainage account, but continue to hold the balance of retainage monies (\$40,000) until the remaining concrete problems were solved.

Mr. Drees motioned for approval of Resolution 97-18. Mr. Simler did second the notion. The Resolution was approved, waiving the \$31,000 in liquidated damages on the Hagerman Plaza Parking Garage construction contract by a vote of three yea's and one abstention. Mr. Powell abstained from voting due to his firm's attorney/client relationship with Hagerman Construction Corp.

For the record, Mr. McElhoe acknowledged the Commission's waiver of liquidated damages in the amount of \$31,000. He further stated that, subsequently, the Commission approved holding an *additional* \$10,000 in the retainage account, at the urging of the project engineer, until such time as the current concrete problems in the garage have been solved.

Resolution 97-19

Approving payment for additional services on the Leeper's Lawn Service contract

Mr. Kravig stated that presently Leeper's Lawn Service is maintaining the landscaping on the new surface parking lot at Clinton and Superior Streets, and will do so through the year 1998 at which time it is anticipated the BOW will take over maintenance duties. However, the startup and shutdown of the irrigation system for years 1997 and 1998 are NOT included in Leeper's contract, which he said was typical in landscaping maintenance contracts unless noted by special exception. Leeper's contract did include the startup and shutdown of the irrigation system for the first year which was 1996. For an additional nominal fee, Leeper will provide that service through 1998.

Mr. Simler moved to approve Resolution 97-19 and Mr. Powell did second the motion. It passed unanimously.

Resolution 97-20

Approving a contract with the Headwaters Park Commission

Mr. Kravig handed out a drawing of the Barr Street lighting plan which showed the street design planned by the Headwaters Park architects, including the siting of ornamental lampposts. He indicated that the Redevelopment Commission has already installed the first four lampposts located on the west side of Barr Street heading north from Superior Street. These were installed as part of the City parking lot project.

Headwaters Park construction will soon be installing the additional lampposts beginning with the parking lot location and running from that point north to just around the cul-de-sac. However, due to a very tight budget, Headwaters Park could not accept the alternate on its ornamental lamppost bid, which was for the installation of four additional lampposts along the east side of Barr beginning just south of the cul-de-sac.

Therefore, Mr. Kravig stated that staff recommended that the Commission execute an agreement with the Headwaters Park Commission to accept the alternate bid for the additional four lampposts, have them installed along with the others, and be reimbursed by the Redevelopment Commission for the cost of the alternate. Staff recommended this action since the Redevelopment Commission would soon be

bidding an improvement project along Barr Street which would include the continuance of the ornamental lamppost installation south.

Mr. Kravig stated that accepting the alternate bid under the Headwaters contract would be more economical than including the four lampposts in the Redevelopment Commission bid for lampposts. The existing alternate bid was just under \$11,000, which Mr. Kravig indicated was a good price, and additionally, acceptance would allow the lampposts to be installed before the Three Rivers Festival. If the Commission bid the lampposts, installation would most likely not take place before the Festival.

Mr. Fletcher stated that funding for the four lampposts would be from the \$5.2 million Headwaters bond fund. He also mentioned that the improvement project along Barr Street would begin where Headwaters improvements left off and would extend through Freimann Square to Main Street. He reminded the Commissioners that the design contract for the Barr Street improvements was awarded at last month's meeting and also included design for improvements along the Calhoun Street pedestrian corridor from the Headwaters Park boundaries south to the railroad elevation.

Mr. Simler motioned for approval of Resolution 97-20 and Mr. Powell did second the motion. The motion carried unanimously.

Before discussion closed on Headwaters, Mr. Fletcher mentioned that the Commission would be involved with building the Clair Street Parking lot for Headwaters Park. The lot was presently under design by the Headwaters architects. Mr. Fletcher said he anticipated the parking lot would cost the Commission approximately \$100,000 to build.

Discussion - Tax Abatement in TIF Districts

Mr. Fletcher referred the Commissioners to the handout that was distributed to them before the meeting which was an updated draft of the Commission's policy on tax abatement in TIF districts. He stated that he still wanted to get together with several of the Commissioners who had volunteered to work out the finer details of the policy but he was waiting for Mr. Hill to get back into the country.

Ms. Trisha Gensic of the City's Economic Development Dept. was present at the meeting. Mr. Fletcher stated that she had developed the proposed *City* policy on tax abatement policy and he asked her for any comments. She stated that the tax abatement approval policy before Council presently was the first one, in writing, in the City's history. She briefly outlined that Council could not approve an allocation area that was denied approval by the Redevelopment Commission. She also stated that the Council could be *more restrictive* regarding abatement terms on applications that were approved by the Commission.

Mr. Fletcher added that the main concern for the Commission was how an abatement would affect TIF revenues and repayment of outstanding bond issues tied to those TIF revenues.

Mr. Powell stated he was happy that some guidelines were being developed since the Commissioners had been placed in a very uncomfortable situation recently on two tax abatements in the Baer Field Economic Development Area. The Commission had been forced to treat those applicants on what he considered a

"less than equal basis" in relation to past applicants. He said that happened as a direct consequence of having no established policy for tax abatement criteria.

Mr. McElhoe echoed Mr. Powell's remarks.

Mr. Simler asked Mr. Powell if he had done any further research on the suit in southern Indiana that involved tax abatement policy issues. Mr. Powell said he had not but would try to look into it before the next meeting.

There was no more discussion on the tax abatement policy issue.

OTHER BUSINESS

Mr. Fletcher wanted to update the Commissioners on a couple of issues:

Indiana Textile Building

The Commissioners had been supplied with a copy of the draft RFP for development of the Indiana Textile Building with their agenda packages for their review. Mr. Fletcher stated that in order to generate interest in the proposal/development with commercial realtors, he wanted to offer a \$2,000 "Finders Fee" for brokers as an incentive. However, he needed to resolve the issue of whether that \$2,000 could be paid from the Headwaters Park bond issue and, if not, would the BOW be willing to pay the fee. Once that issue was settled, the RFP would go out to interested parties.

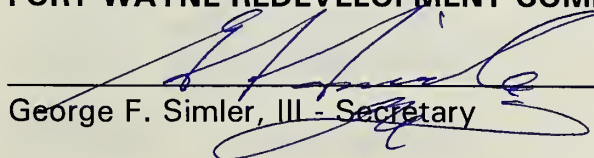
University of Indianapolis Land Donation

Mr. Fletcher said there has been some recent developer interest in the 23 acres of undeveloped land that the Commission had accepted from the University. Initial plans call for development of approximately 50 housing units in phases. Commission staff was working on issuing an RFP for development of that land, and it should be going out soon. Mr. Fletcher indicated he would be talking with the real estate community to market the area better so as to "spread the wealth."

Mr. Kravig commented that the site has no existing utility lines through it presently, but that it is surrounded by land that is served by public utilities. He indicated that extension of public utilities into the undeveloped area should not be a problem.

With no further business to discuss, Mr. Powell motioned to adjourn the meeting and Mr. Drees did second the motion. The meeting was adjourned at approximately 6:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION


George F. Simler, III - Secretary

ADOPTED: April 21, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

EXECUTIVE SESSION MINUTES

April 21, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: None

STAFF PRESENT: Ronald R. Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: None

CALL TO ORDER Mr. Hill called to order this executive session meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL It was noted for the record that Mr. Powell was not present but was expected shortly. Mr. Powell did arrive after the start of the meeting.

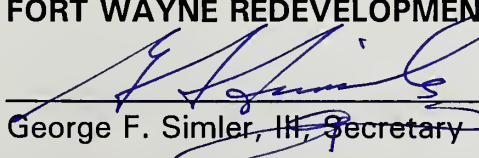
DISCUSSION

Discussion ensued concerning the purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties, as defined in Indiana Code 5-14-1.5-6.1(b)(2)(D).

It is hereby certified that all discussion of business at the April 21, 1997 executive session meeting of the Fort Wayne Redevelopment Commission pertained only to the subject matter above as allowed and referenced by Indiana Code 5-14-1.5-6.1(b)(2)(D) and as specified in the meeting's public notice.

By a motion by Mr. McElhoe and seconded by Mr. Powell, the meeting adjourned at approximately 5:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION


George F. Simler, III, Secretary

ADOPTED: May 19, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

April 21, 1997

TIME: 5:00 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: None

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: None

CALL TO ORDER: Mr. Hill called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that all Commissioners were present.

APPROVAL OF CLAIMS

Mr. Hill called for a motion to approve the February 1997 Claims. Mr. Powell motioned for approval of said claims and Mr. McElhoe did second the motion. The motion passed unanimously.

APPROVAL OF MINUTES

Mr. Simler did motion for the approval of the minutes of the March 17, 1997 Executive Session and the March 17, 1997 Regular Meeting. Mr. Drees did second the motion. The Minutes were unanimously approved.

OLD BUSINESS

None

NEW BUSINESS

Resolution 97-21

Confirmatory Resolution - Civic Center Urban Renewal Area Amendment IX

It had been some time since the approval of the Declaratory Resolution for Amendment IX so Mr. Fletcher gave a brief overview of the process involved in creating or amending an Urban Renewal or Economic Development Area plans. He explained that Amendment IX had followed the typical process, within the typical timeframe, up through the public hearing in May of 1996. Normally, the Commission takes action on an ensuing Confirmatory Resolution at a meeting

immediately following, or soon after, the public hearing. However, to date, the Commission has taken no action regarding a Confirmatory Resolution until today for various reasons.

Mr. Fletcher stated there had been overwhelming support expressed by individuals attending the public hearing for the Amendment IX and the "Courthouse Green," project which it delineated. However, the property owner, Mr. Dick Waterfield, who had offered the subject downtown block of real estate to the City, had become reluctant to sell said property. This was due to the fact that the Commission would be offering Mr. Waterfield a price that was lower than what he thought the property was worth. Mr. Fletcher reminded the Commissioners that, by law, the maximum amount the Commission could offer for real property was the average of two independent appraisals, established by appropriately certified appraisers, said appraisals having already been done.

Subsequently, Mr. Waterfield has been studying various strategies in an attempt to work out a deal that satisfied both him and the City/Commission. Mr. Fletcher remarked that he has been meeting with Mr. Waterfield off and on over the past year to discuss the project's future, the most recent of which had been just last week.

However, Mr. Fletcher stated that the Commission has given Mr. Waterfield plenty of time to resolve the financial aspects regarding the sale, and that it was time for the Commission to proceed with official action. He recommended that the Commission legally establish Amendment IX to the Civic Center Urban Renewal Area by approving the Confirmatory Resolution presented in Resolution 97-21. He said approval of such would allow the Commission to "go forward very quickly" (with acquiring the real estate for the project) should it need to.

Mr. Powell asked if passage of the Confirmatory Resolution would commit the Commission to any course of action in the amended area. Mr. Fletcher stated the plan calls for acquisition of this property but does not give any specific date or timeframe for such acquisition.

Mr. Simler asked if there were any type of time restrictions and Mr. Fletcher stated yes, due to the age of the appraisals. Mr. Fletcher said they were getting "stale," or old, and an offer needed to be made soon. Mr. Fletcher clarified that a stale appraisal was anything dated six to eight months prior to the, in this case, date of offer to purchase. He said after that time, other documentation would be required from the appraisers stating terms and conditions had not changed, the value remained the same, etc. He did not elaborate what happened if the conditions of the appraisals HAD changed.

There was also discussion as to the effect that passage of the Confirmatory Resolution would have on negotiations with Mr. Waterfield. Mr. Boyer stated that Mr. Waterfield could file for "inverse condemnation" should the Commission exercise its powers of eminent domain but that he wouldn't. Mr. Boyer elaborated that Mr. Waterfield knew he wouldn't get any higher property valuation by going to court.

Mr. Fletcher added that he discussed a "friendly condemnation" with Mr. Waterfield already. He added that opting for that route could even be worse in that the court-appointed appraisal could be *lower* than the Commission's appraisals, and that the

court-established value would stand. Mr. Waterfield's only recourse would be to appeal the court-established value and take it to a jury trial.

With no further discussion, Mr. Simler motioned for approval of Resolution 97-21 stating the situation has been thoroughly discussed and it was time the Commission took some action

Before seconding the motion, Mr. Powell asked if the various foundations were still interested in funding the park's construction and Mr. Fletcher stated yes.

There were no further questions, and Mr. Powell did second the motion to approve the resolution. Resolution 97-21, confirming Declaratory Resolution Amendment IX passed unanimously.

Resolution 97-22

Establishing and approving a tax abatement policy for the Fort Wayne Redevelopment Commission

A written tax abatement policy had been given to all the Commissioners for review and Mr. Fletcher stated that the policy had been reviewed by staff, the Commission committee of Powell/McElhoe/Fletcher, and Greg Purcell and John Stafford of the Mayor's Office. Revisions to the policy that were suggested by the Commission's committee had already been incorporated. Mr. Purcell and Mr. Stafford expressed support for the policy and thought it was concise and would serve the Commission well.

Mr. Fletcher mentioned one more recent revision made and incorporated, at the suggestion of Mr. Hill. Mr. Hill asked that any "sinking fund" reference in the policy have the word "Redevelopment" inserted prior to it so as to differentiate the Commission's funds from any others (i.e., City or school district sinking funds) that may be affected by tax abatement during consideration by the Commission.

Mr. Fletcher informed the Commissioners that City Council has already passed its own version of a tax abatement policy and Council can not approve abatement applications in Redevelopment allocation areas unless the Redevelopment Commission passes approval of same as pursuant to Indiana law.

Mr. Fletcher outlined the basics of the abatement policy which pertained to criteria for consideration of two categories of tax revenues and their respective abatements. The categories are: 1) real property (real estate), and 2) personal property (equipment). The criteria for determining if both, or either, abatement categories could be approved, and for how long (number of years), would apply only to applications in allocation areas of Commission-established Urban Renewal Areas or Economic Development Areas.

Mr. Fletcher then discussed the areas of evaluation for both real or personal property tax abatement applications. Those areas were "specific project evaluation" (or specific site) and the "allocation area evaluation" (or the particular urban renewal or economic development area that encompasses the specific site).

In response to Mr. Simler's question, Mr. Fletcher stated that revenue calculations would have to be done for each tax abatement period applicable (for either real or

personal tax category), i.e., 3-, 6-, or 10-year, to determine if the amount of tax revenues would be sufficient to fund repayment of debt obligations in the area. If revenues were found to be *insufficient* for *all* of the respective abatement periods, then tax abatement would be denied.

After further discussion, Mr. Hill stated that he was willing to go with the present abatement policy but would like to see, as examples, calculations run on some recently approved abatement applications. Mr. McElhoe asked if the Commission would have recently granted Gildea Tool a six-year (real property) abatement if based on this policy's guidelines. Mr. Fletcher responded the Commission would not have.

Mr. Simler asked if the proposed policy would serve to stifle growth in the southwest area. Mr. Fletcher responded it would most likely stifle tax abatement. Mr. Simler said he was convinced that if tax abatement was stifled, growth (development) would be, too. He said there was too much competition from other areas of town/county that were offering tax abatement as well as other incentives.

Mr. Fletcher reported, however, that he had performed calculations in the Baer Field EDA TIF allocation area which indicated that at the current level of development, taking into consideration abatements already approved, the area would support an approximate bond issue of \$500,000 over 12-15 years. He added, though, that he was anticipating closer to a \$1.0 - \$1.5 million dollar bond issue in order to adequately fund the area infrastructure projects. Mr. Fletcher stated that the level of tax abatement restrictions really depended on the amount of bond the Commission wanted to issue.

Mr. Fletcher reminded the Commissioners that there was not really any other option they could pursue regarding tax abatement approval except the current one--of limitation. This was because of the Memorandum of Understanding agreement that the Commission had entered into last December, along with seven other governmental entities. Mr. Fletcher said that this was the reason he tried to make the level of commitment clear to the Commissioners at the time the resolution concerning the Memorandum of Understanding agreement was discussed and voted upon. He said he emphasized this again at the next tax abatement application the Commission reviewed for the Baer Field TIF area.

Mr. Powell stated Mr. Fletcher's comments reflected his understanding of the situation and inferred that the Commission was committed to its current course of having to limit tax abatement in the Baer Field allocation area.

Mr. Drees mentioned one concern regarding the written policy content in that it did not differentiate abatement incentives between those companies already located in Ft. Wayne and those relocating here from "outside" Ft. Wayne. He advocated "taking care of our own" first, saying that too often, in an effort to lure new businesses to the area, the City would offer every incentive it could. However, when it came to offering the same incentives for expansion or new site development for existing local businesses, the City was not so eager. Mr. Drees would like to see equal attention given to local firms.

Mr. Fletcher responded that although there was not a specific denotation in the proposed policy concerning that issue, it could be a consideration in the overall analysis by the Commission under the "extenuating circumstances" language that

was included in the policy criteria.

Discussion ensued concerning the Gildea Tool tax abatement approval last December and the extenuating circumstances it had presented. It was noted that ultimately, after much discussion and deliberation, the Commission had finally approved the lesser six-year abatement on real property while allowing the maximum five-year abatement on personal property.

Mr. Boyer said another factor that entered into the Gildea situation was that the Board of Works had issued a moratorium on private development in the southwest sector, including the area around Baer Field, until it could address the severe infrastructure problems in that area. However, Gildea "begged" the Board of Works (BOW) anyway to allow it to build in the Baer Field area. The BOW did agree open up the southwest area for private development but only because the Memorandum of Understanding had been/was being signed and tax abatement would not be allowed--or so it thought. Mr. Boyer stated that not only did Gildea get to build where it wanted, but also got tax abatement, too.

Mr. Boyer commented further that the Board of Works would not have opened up the southwest sector for development for several more years if it had not been for the Memorandum of Understanding. The Memorandum was important because it ensured that three or four local government units would work together to address the infrastructure problems; and that revenue sources, such as taxes in allocation areas, which were needed to repay infrastructure debt obligations incurred by the governmental units would not be jeopardized once they were in place.

Mr. Powell asked if the first development projects into the area would bear the burden of financing the infrastructure improvements, and if those projects that come later will reap the benefits (of the improvements.) Mr. Fletcher confirmed this would probably be the case, at least initially. However, he stated that if one or two more developments go in, the problem of denying full tax abatement would disappear.

Mr. Powell echoed an earlier statement by Mr. Boyer that withholding abatement incentives would not necessarily adversely affect development in the area because businesses, like Gildea Tool, have a strong desire to locate in the area. Mr. Powell cited the proximity of I-69 and 469 transportation access, as well as the nearness of the airport, as strong market factors.

Mr. Hill asked if the City ever really considered issuing a GO (General Obligation) bond. Mr. Fletcher said yes, but that the City was investing \$11 million dollars in southwest improvements and did not want to pursue a new GO bond. Mr. Boyer clarified, however, that the City is committing a significant amount of GO funds in the Baer Field IF area already. He emphasized that the bulk of the money that will fund improvements in the area will come from City Utilities. He added that the County will also be contributing funds generated from its General Motors TIF allocation area, along with the Redevelopment Commission's contribution of revenues generated from the Baer Field TIF allocation area. Of the three contributors, the Commission's contribution will be the smallest.

Mr. Powell stated he agreed with Mr. Hill in supporting the present policy as written. It would serve as a point of reference and a premise from which to consider abatement applications in the future.

Mr. Hill added one additional amendment to the policy under section C.(1). He asked that "real estate" be inserted before "property tax revenues." It was so noted and Mr. Fletcher recommended that the Commission approve the policy as written.

Mr. Simler motioned for approval of Resolution 97-22 with Mr. Hill's amendment of the policy language. Mr. McElhoe did second the motion. The Resolution was approved unanimously.

Resolution 97-23

Approving an expenditure to City Glass Specialty, Inc., for construction of east and west enclosures to the open air walkway connecting the City-County Building to the Plaza Parking Garage

Mr. Fletcher explained that presently there were no protective sides on the walkway that connected the parking garage to the City-County Building. The walkway was open to the weather year round. In the winter the walkway had been very cold, wet, and uncomfortable. Often patrons of the parking garage stood, in bad weather, along the north end of the walkway while waiting to pay the garage cashier. The situation had been a concern this past winter.

Mr. Fletcher stated staff had received a bid of \$10,800 to perform the work of enclosing both sides of the walkway, and that the County Commissioners would pay half the cost. In response to Mr. Hill's question, Mr. Fletcher stated the material would be the same glass as was used in the parking garage elevator.

Mr. Powell moved to approve said Resolution and Mr. Drees did second the motion. Resolution 97-23 passed unanimously.

Project Updates

Harrison Street Sidewalks

Mr. Kravig gave a brief overview of the portion of Harrison that was included in the project. He told the Commissioners that the project was basically complete with the exception of tree plantings and some fertilization and pruning of existing trees.

In response to Mr. Powell's question, Mr. Kravig did confirm that urban trees have a shorter life span than the norm because they are planted in a 5' X 5' box which inhibits natural expansion (of the root system).

Calhoun and Barr Street Corridors

Mr. Kravig explained that the intent of the project is to create pedestrian improvements along both streets to connect Headwaters Park with downtown.

He presented the preliminary plans for the project, explaining that improvements for both sections would involve sidewalk reconstruction, resurfacing, trees, and lighting. Calhoun Street improvements would run from the railroad elevation as far north as the old Armory. Bar Street would remain closed through Freeman Square with improvements running from Main to Duck Street. There would be no sidewalk construction/reconstruction in Freeman Square, the goal being to enhance

what was already in place. The most significant change would be the lowering the height of the mounding at the north end of Freeman Park. That mounding originally served to screen the park from the elevated railroad to the north, however, Mr. Kravig said it was time to reopen that visual linkage north to south. He noted further that additional trees will be planted that, upon maturity, will effectively screen the railroad elevation.

Mr. Simler asked if parking would still be available under the elevated railroad. Mr. Kravig said the railroad eliminated parking between Lafayette and Clinton Streets and may eliminate parking between Clinton and Harrison Streets. Parking was currently still available between Clinton and Harrison and was under management by Light & Breuning. However, Mr. Kravig said that Light & Breuning has reported substantially less revenue from the under elevation parking, perhaps due to construction of the new Plaza Parking Garage across the street. Mr. Fletcher also mentioned that the Superior Street lot which the Commission built last year would offer replacement parking if the remaining elevation parking areas were eliminated.

Mr. Powell asked if any improvements would be made for pedestrians crossing Superior Street at Bar. He commented from personal experience that the traffic turning onto Superior from Lafayette Street seemed to accelerate in that stretch, which was threatening to pedestrians. Mr. Kravig stated that currently there were no improvements planned to address that type of situation. The Commissioners made several suggestions such as posting signs or changing the crossing in some manner to alert traffic to pedestrians. Mr. Kravig stated he would speak with Tom Manny (Street and Street Light Engineering) concerning that issue.

Mr. Hill asked about a pedestrian-friendly crossing for the extremely busy Clinton Street so that people could safely access both sides of Headwaters Park. Mr. Fletcher stated that Headwaters Park Commission looked at putting in an overhead walk or understreet walk some time ago. He did not remember the cost estimates, however.

Mr. Kravig stated at recent Park design meetings, a decision had been made to go with an at-grade pedestrian crossing located in front of the old Armory. It will be a flashing yellow caution light that will also employ full synchronized signalization during festivals. Mr. Kravig said over and under street walkways were ruled out due to anticipated inconvenient usage for, and undesirability to, patrons. Moreover, the high cost to conform to ADA standards also negated their consideration. He said that a flashing yellow light that rolled to red/yellow/green by pushing a button was also discussed.

Mr. Kravig ended his update on the Calhoun/Barr project with the statement that he anticipated GAI going out for bids on the project sometime in June with construction to commence as soon as the Three Rivers Festival ends.

Headwaters Park

Mr. Kravig stated that the Commission, as mentioned in earlier meetings, would be building a surface parking lot for Headwaters Park at the corner of Harrison and Clair Street. This lot would serve Phase I of Headwaters as well as any potential activity at the former Armory.

Mr. Kravig presented a tentative design layout of the parking lot and explained that Headwaters would be bidding the lot construction as an alternate when it bid the Phase IV construction contract. This would allow the Commission to get an accurate cost accounting of the parking lot construction up front. The Commission would be responsible for funding that construction, should it accept the alternate bid. Mr. Kravig said that the present estimate to build the parking lot was around \$100,000 and that the Headwaters Park Commission would be receiving bids the first part of May.

Mr. Kravig also told the Commissioners that Headwaters Park, due to its current tight budget, would be developing only three "sides" of Phase IV of the Park. The improvements will include a three-to-four foot raised terrace with a "crescent overlook," similar to what is currently under construction on the east side of Clinton Street. However, the fourth side that runs along the south side of the Armory will remain undeveloped pending the fate of the Armory. Consequently, Mr. Kravig said old Armory site will remain at grade for the time being.

Mr. Powell asked what was the current status of the Armory. Mr. Fletcher stated the review committee had looked hard at the Jaycees proposal but ultimately declined to pursue it. The committee was concerned it would bankrupt the group, that the Jaycees lacked the experience for this type of project, and that reliance on volunteers to maintain the Armory on a continuing basis was too risky. As it stands, Mr. Fletcher said the committee decided to hold off on a demolition decision until Fall, adopting instead a wait-and-see position in hopes that a viable reuse proposal will be presented.

Further discussion ensued concerning the Armory review committee and Mr. Simler expressed the concern that the availability of the Armory was not well known in the community.

Wells Street Bridge

Mr. Kravig gave the Commissioners a handout which showed the area around the bridge and, among other things, the various parcels for acquisition. Part of the project calls for construction of a boardwalk/bike path and therefore all the acquisitions would be for that purpose. He pointed out the lone house located in the area of acquisition, presently owned and used commercially by Ream Steckbeck. He said the house had originally been slated for acquisition, but Mr. Steckbeck had been adamant about keeping it. Therefore, in order to keep the project moving along it's tight timeline, Commission staff negotiated for a permanent right-of-way easement *around* the house and said easement continues eastward over remaining land owned by the Steckbecks. Mr. Kravig said this negotiation actually saved money since the house would no longer have to be acquired nor demolished. He said a fully executed easement agreement has already been completed with Steckbecks.

Mr. Kravig went on to say that the eastern half of the total area to be acquired was owned by AIRCO and the Commission would be taking title to it fee simple since it was a relatively simple process compared to the Steckbeck's. The appraisal had been received just last week, and the Commission would soon be making an offer to AIRCO for the selected portions of its property. Mr. Kravig said there were some complexities, however, in that a loading dock would have to be relocated and a portion of the one building would have to be removed.

Mr. Kravig indicated this was a federal project which involved a lengthier process than the Commission normally follows since public participation and historic preservation must be included. He stated the project has dragged on somewhat, but it was hoped that the project could be let for bid in late spring or early summer.

He did mention that the property within the project acquisition was in the 100-yr. flood plain but that it was located on the high side of the river. Mr. Kravig guessed that the last year that flooding may have occurred at this site was in 1982.

Columbia and Calhoun Street Paver Replacement

Mr. Lindsay explained that the decorative brick pavers along Calhoun (Washington to Wayne) and Columbia Streets were breaking up and needed replacement. This project also included resetting of heaved tree grates. The project which will be broken into two phases, may also involve some selective sidewalk reconstruction, as well as street lights issues. Mr. Lindsay said he was currently preparing an Request for Proposal for engineering/design and architectural services.

Plaza Parking Garage/Waterproofing of North Plaza

Mr. Lindsay told the Commissioners that two main issues still needed to be addressed by the contractor. One involved the leaking and concrete spalling within the garage and the other involved landscaping along Calhoun and Clinton Streets.

Hagerman Construction Corporation will call Western Waterproofing, the subcontractor, back to the site in May when interior garage temperatures have been sustained at 65 degrees or more. The sustained temperature is required for the sealant, caulking, and bonding compounds will adhere to concrete.

Masolite will be called back during May to address the precast concrete problems on the top deck according to Mr. Lindsay. He said that the top of several columns have "popped off." These columns are ones that will support any additional parking levels that may be added in the future. Additionally, concrete spalling has occurred. Masolite will also address the engineer's punchlist items that remain to be taken care of.

Mr. Lindsay said the plaza deck waterproofing project is complete with the exception of approximately \$7,000 worth of landscaping. Lawn & Turf Landscaping would be out to finish that work next week. Concerning the landscaping on Calhoun and Clinton Streets (yew plantings), Hagerman was to meet this week with the landscaper to discuss the drainage, or lack thereof, around the yew plantings, i.e., what were the specific issues, what responsibility lay with whom, and what to do about it. Also, the operating condition of the irrigation system on the plaza would be tested next week.

The Commission still holds approximately \$50,000 in retainage funds for both projects, inclusively, to Hagerman. Mr. Lindsay indicated that money would be released once all work was done to the Commission's satisfaction.

Midtowne Crossing Facade

Mr. Lindsay stated that the facade replacement for Midtowne Crossing is 99.5%

complete. Only very minor work remains to be done. He said that May 1st is the anticipated completion date.

OTHER BUSINESS

Mr. Fletcher stated he had hoped to have a planning session after the Commission had met with the Partners for Livable Communities people. However, it was not known when Partners would be back in town and he did not want to wait any longer. Mr. Fletcher asked that the Commissioners consult their schedules and let him know when would be a good time to meet for a couple of hours. He would like the meeting to occur within the next 30 days.

After further discussion, it was agreed to meet within 30 days, and prior to meeting with the Partners group.

(Verbal) Resolution 97-24

Establishing values as acquisition prices for the Wells Street Bridge Project for the record

After the earlier discussion of the Wells Street Bridge project and the various acquisitions that the Commission would be undertaking, Mr. Fletcher realized he wanted to make an offer on those acquisitions next week but had to publicly establish the respective parcel values prior to doing so. Moreover, since the project was technically a Parks Department project, the Park Board also had to establish acquisition price before the Commission could make an offer. Consequently, Mr. Fletcher asked the Commission to consider "verbally," and for the record, a resolution establishing the acquisition prices as related to the project.

Mr. Fletcher stated the following prices, which were established in accordance with state law for transportation (specifically ISTEA) funding which requires only one appraisal and one review appraisal to be executed:

AIRCO \$46,420**

**price includes acquisition (the eastern half of the total area), moving the loading dock, removing part of a building, building a wall, temporary right-of-way, etc.

Mr. Fletcher then went on to say that the following prices were not actually going to be paid, but that the value needed to be established for the record:

small corner portion by the house	\$50 for right-of-way
Lot 16 & 15 (Wood Place Addtn)	\$2,750 for right-of-way
Lot 14 & 13 (Wood Place Addtn)	\$4,800 for right-of-way

Mr. Fletcher repeated all of the above numerical information several times since the verbal format was sometimes difficult to follow.

After more questions by the Commissioners, and further clarifications, Mr. Simler motioned for approval of Resolution 97-24 with the reservation that all future resolutions be in written form and in advance. Mr. Powell did second the motion.

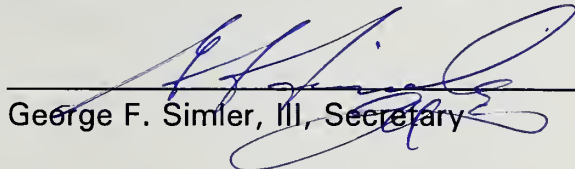
There was more discussion prior to the vote. Mr. Simler asked if the property owners were aware of these valuations yet. Mr. Fletcher shook his head no. Mr. Hill questioned how the Lot 13, 14, 15, & 16 lot values played out if the owner decided not to cooperate. Mr. Fletcher reminded him there was an executed agreement already. Mr. Hill wanted clarification that it was because of project timing that Mr. Fletcher needed to move forward quickly and why this resolution had to be presented with such immediacy. Mr. Fletcher confirmed this, reiterating that he did not think he could wait to present this resolution at the next meeting.

Mr. Powell wanted to be clear on funding. Mr. Fletcher said that previously the Commission had committed \$40,000, by resolution, toward *engineering costs* of the project but the Park Department has yet to bill the Commission for any engineering work. Mr. Fletcher stated, therefore, he may switch the \$40,000 to *acquisition costs* instead, so that the Commission was sure it had the money in hand to do the acquisitions. Other funding was coming from the Park Board and federal funding.

Mr. Hill called for a vote and verbal Resolution 97-24 was approved unanimously.

There was no further business to discuss, Mr. Powell motioned to adjourn the meeting and Mr. McElhoe did second the motion. The meeting was adjourned at approximately 7:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: May 19, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

May 19, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: Steven E. McElhoe - V. President

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: None

OTHERS PRESENT: Members of the news media

CALL TO ORDER: Mr. Hill called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that all Commissioners were present except Mr. McElhoe. Mr. Fletcher also commented that Commission Counsel, Dave Boyer, could not be present at the meeting.

APPROVAL OF CLAIMS

Mr. Hill called for a motion to approve the March 1997 Claims. Mr. Powell motioned for approval of said claims and Mr. Simler did second the motion. The motion passed unanimously.

APPROVAL OF MINUTES

Mr. Drees motioned for the approval of the minutes for the April 21, 1997 Executive Session and Regular Meeting. Mr. Simler did second the motion. The Minutes were unanimously approved.

OLD BUSINESS

None

NEW BUSINESS

There was no presentation by the Headwaters Park Commission. Mr. Fletcher stated that Mr. Paddock and Mr. Shoaff wanted to delay their presentation until the

June or July meeting. Headwaters Park has just recently received additional funding from the State and Mr. Paddock wanted to incorporate those monies into the presentation and status update for the Commissioners.

Reconciliation - 1992 Headwaters Park Limited Obligation Bond

The Commissioners received a handout identifying the remaining balance of unspent project monies as being \$902,157.82. The original project funding included the 1992 \$5.2 million dollar Light Lease bond issue, \$1.1 million dollars from the State, and \$100,000 from the Commission. Mr. Fletcher clarified the known project expenses that remain outstanding, including legal fees, landscaping maintenance contract, demolition, etc. He stated that there were some still pending acquisition (Don Hall parcel) and relocations (Jefferson Smurfit) and those costs were approximations. Mr. Fletcher added at this time that the Hall parcel litigation was close to settlement and the settlement amount was within \$10,000 of the average of the two appraisals. Since court costs will cost the Commission more than \$10,000 if the case goes to trial, Mr. Fletcher stated he will probably agree to the settlement.

Mr. Fletcher also covered potential expenses that the project could incur which included the \$100,000 set aside for the Clair Street parking lot construction, as well as utility relocation, Calhoun/Barr Street pedestrian improvement construction costs, and possible demolition/abatement costs for the old Armory.

Mr. Fletcher mentioned that Headwaters Park received the alternate bid recently for the construction of the Clair Street parking lot. It came in at \$189,000. He said the architects are making modifications to lower that figure and currently have whittled it down to approximately \$124,000 which is still over the Commission's budgeted amount. The Commission will look at the parking lot project again when the final figures are in according to Mr. Fletcher.

He further disclosed that bids for the Calhoun/Barr Street improvements would be received by the Commission the first week of July whereupon the actual costs to do those improvements would be known.

Mr. Fletcher commented that the Armory asbestos and ballistic sand abatement costs were estimated high, but that the demolition quote for \$133,000 from Martin Enterprises *did not* include backfilling the basement area up to existing grade.

In summation, the worst case scenario of projected expenses will result in a deficit of \$174,789 at the current funding levels for Headwaters Park. However, Mr. Fletcher stated he thought there would be some savings realized in some of the expenses and this may very well preclude any deficit from occurring. However, he did not expect any monies to be left over.

Mr. Hill asked if there was any change to the reuse status for the Armory and Mr. Fletcher said no. The Armory review committee had decided to let it sit for the summer hoping the exposure from the summer festivals would produce some new interest by someone. Presently, Headwaters Park architects, Grinsfelder & Associate Architects, were considering different scenarios such as saving the gym but demolishing the front wings and creating a patio in that area.

In response to Mr. Hill's question concerning Calhoun/Barr improvements, Mr. Fletcher stated that some trees would be going in on Calhoun Street with other

landscaping. Mr. Simler questioned the improvements along Barr to Main, which Mr. Fletcher clarified would be the lowering of the mounding in Freimann Square that presently exists to screen the railroad elevation. He said the goal was to open up the sightline along Barr Street to the elevation and on up into Headwaters Park. Construction was anticipated to begin the day after the Three Rivers Festival ended (July 21st) and should take no more than three months.

It was noted that the improvements of both streets would be bid as one project in order to: 1) coordinate with Headwaters Park Phase IV construction and utility relocation; and 2) attract the bigger contractors that would have the necessary equipment available to start the project in July and finish by fall. Mr. Hill expressed the concern that timing of the bid could affect a contractor's ability to get the job done in a timely manner. Mr. Kravig stated language in the bid would address those issues but that he actually anticipated part of the improvements to be done in 1998 anyway, such as the resurfacing of Calhoun Street. He elaborated that Headwaters Park Phase IV construction contractors would be utilizing Calhoun and why resurface it before heavy construction traffic had ceased.

Mr. Hill asked if it would be better to wait until next spring to start any of the improvements and Mr. Fletcher said there was no reason it had to be done this year, stating the bid could be structured to include a spring start date as an alternate.

However, Mr. Kravig commented that it made sense to finish Barr Street since that side of Headwaters Park would be completed. Also, simultaneous sidewalk demolition on both Barr and Calhoun was prudent because of utility relocation requirements. He explained that utility relocation required going underneath sidewalks, therefore, it would be cost effective for the utility companies to take advantage of the project's sidewalk demolition that would already be taking place. Moreover, getting the utilities relocated underground as soon as possible was preferable because it would avoid the necessity of knocking out blocks around existing telephone poles and having to return later to patch holes left in new sidewalks after those poles have been removed.

There were no further questions nor discussion concerning this subject from the Commissioners.

Review of Resolution 97-24

Approving the acquisition price of real estate for the Old Wells Street Bridge project

Mr. Fletcher stated that the Commissioners had approved a verbal resolution at last month's meeting concerning the Wells Street Bridge project. Resolution 97-24 had subsequently been written up and provided in their agenda packages. Mr. Kravig went over the resolution again very briefly as establishing the acquisition values for several parcels that lay along the St. Mary's Riverbank adjacent to the old bridge. These parcels were needed to establish the bike/pedestrian path between the bridge and the Rivergreenway and Headwaters Park.

Again, values were established as follows:

Parcel 1	\$50
Parcel 2	\$2,750
Parcel 3	\$4,800
Parcel 4 & 4a	\$46,420

Mr. Kravig stated that the value for parcel 4 & 4a included temporary right-of-way acquisition, loading dock relocation, building wall demolition/reconstruction, etc. He also stated that Parcels 1-3 did not actually have to be acquired because the Commission had negotiated a grant of a permanent easement with the owner(s) instead. However, the establishment of value by appraisal was useful in that those figures could be counted toward the 20 percent local funding match required on the project.

With no further discussion, Mr. Simler motioned for approval of Resolution 97-24 and Mr. Drees did second the motion. It passed unanimously.

Resolution 97-25

Establishing the acquisition price for property located within the boundaries of Amendment IX, Civic Center Urban Renewal Area

This resolution formally established the maximum price that the Commission can offer the property owner for acquisition of the block bounded by Main, Clinton, Berry, and Court Streets. Mr. Fletcher stated that two appraisals had been completed and the average value was \$1,825,000. He stated he was still in working with the owner regarding the project. Mr. Simler asked if there had been any progress and Mr. Fletcher said yes.

Mr. Fletcher also commented that the Commissions offer to acquire said real estate was subject to financing. He reminded the Commissioners that he would need to go out for a TIF bond issue and bring it before the Commission before any acquisition would occur.

Mr. Powell motioned for approval of said Resolution and Mr. Simler did second the motion. It passed unanimously.

Resolution 97-26

Amending Resolution 97-5

Mr. Fletcher explained that Mr. Gettel had been contracted to perform the review appraisals for the Wells Street Bridge project parcels. Mr. Gettel thought he was approved by the State's Department of Transportation to provide review appraisals since he is approved to perform *full* appraisals for the Department. However, it was discovered that he was not on the approved list. Therefore, since time is of the essence on the Wells Street Bridge project, Mr. Gettel and Mr. Misner recommended a third appraiser, Mr. Paul Deem, to perform the review appraisal instead. Mr. Fletcher stated Mr. Deem agreed to do the work for the same fee as Mr. Gettel. Resolution 97-26 formally awards a contract to Mr. Deem.

Mr. Drees motioned for approval of said resolution and Mr. Simler did second the motion. It passed unanimously.

Resolution 97-27

Approving an expenditure for concrete repair of the east ramp of the Plaza Parking Garage

Mr. Fletcher and Mr. Lindsay explained that when the garage was built, the existing ramps leading from Clinton and Calhoun Streets were not reconstructed entirely. The contractor only replaced the top four to six inches of concrete on both ramps. It has since been discovered that the concrete on the *underside* of the east ramp is deteriorating and that rebar is exposed and rusting. Mr. Fletcher said the work will involve sandblasting and repainting as well as concrete repair. Mr. Lindsay stated that the contractor and the garage project's engineer recommended repair work before the current conditions began to affect the structural soundness of the ramps.

Mr. Lindsay said he solicited a quote from an expert in the field, Structural Preservation Systems, Inc., out of Trenton, Michigan. That firm quoted a fee of \$6,800 to perform the necessary work. Mr. Fletcher stated he wanted an expert doing the work for future liability reasons and so that the work was covered by insurance.

Mr. Simler asked if, given the old garage's poor condition, this repair work would be sufficient or would more really need to be done. Mr. Fletcher said he thought this work would be all that was necessary and reiterated the opinions of the contractor (Hagerman) and Contech Engineers, Inc., the Project Engineer.

Mr. Powell asked if this area was the responsibility of the new parking garage condominium association. Mr. Fletcher responded that it was, and that the association's maintenance responsibilities began at the north face of the City-County Building. He also stated that the County Commissioners would be paying 50 percent of the cost.

Mr. Simler motioned for approval of Resolution 97-27 and Mr. Drees did second the motion. It passed unanimously.

Planning Retreat

Mr. Fletcher asked the Commissioners to check their respective schedules for the week of July 7-11 as a good time to have the planning retreat. He asked that everyone get back with him to confirm a time and day. Mr. Hill asked that the meeting be set without deference to his schedule since he was out of the country so much.

At this time Mr. Drees also announced that he had spoken with Mr. Fletcher earlier in the week about his role as a Commissioner. He stated he was semi-retiring within two months with full retirement commencing in six months. Moreover, he planned to spend six months of the year out-of-state. He said he had no idea when Don Schmidt (then City Council President) asked him to consider serving on the Commission just what that would involve. He apologized for accepting the appointment only to submit his resignation so soon thereafter. However, he felt it was unfair to the other Commissioners and to the Commission itself to continue when he would be unavailable for meetings for half the year.

The Commissioners thanked him for fairness and consideration as well as the contributions he has made during his months on the Commission. Mr. Drees

indicated he would be available to continue his service for another couple of months which would give the Commission time to appoint a replacement.

There was further discussion regarding the date of the retreat. Mr. Kravig reminded Mr. Fletcher that July 7th was a scheduled bid opening. Status of the meeting with the Partners for Livable Communities group was also discussed. Mr. Fletcher stated he had not heard from Partners yet and that he would place a call to Mr. McNulty to find out further information.

OTHER BUSINESS

Resolution 97-28

Approving an expenditure for caulking repair of the City-County Building plaza northwest and northeast stairs

Mr. Lindsay explained that the caulking has deteriorated in the joints of the northeast and northwest stairs that lead from the plaza surface down to the street level sidewalks. The caulking was probably over 15 years old. He said the deterioration has allowed water leakage to occur in the lower level of the parking garage underneath the stairs. Mr. Lindsay has solicited a quote from a local firm, Midwest Caulking, Inc., for an amount not to exceed \$925.00 to perform the repair work.

Mr. Fletcher stated that this work was not be covered under either the parking garage nor plaza membrane project, but that he had asked the projects' contractor (Hagerman) as well as the Engineer (Contech) to assess the areas in question. Both recommended repairs be made.

Mr. Powell asked when the garage condo association would be taking over, and paying for, these maintenance projects. Mr. Fletcher said "very soon." He also stated that the garage condo association did pay for the replacement of the concrete stairs leading from the Calhoun Street sidewalk to the lower level of the garage. That project cost approximately \$18,000 which was paid for entirely by the association.

Mr. Simler motioned for approval of Resolution 97-28 and Mr. Drees did second the motion. It passed unanimously.

Mr. Simler did ask what was being done to address the flaking of concrete on the top level of the garage. Mr. Lindsay said that was an item on the punchlist for Hagerman and Masolite to address when the weather warmed up. He said the concrete must reach a constant temperature of at least 65 degrees before they can check on the problem and correct it. Mr. Lindsay added that another item on the punchlist, the interior caulking and joint sealing, was also temperature sensitive. Staff did not want to hurry the remedial work, however, because they wanted the corrections done once and done correctly. Mr. Fletcher asked Mr. Lindsay to send all the Commissioners a copy of the punchlist for their review.

Redistribution of City-County Building Plaza Pavers

Mr. Fletcher stated that when the plaza membrane was re-waterproofed, a special machine was used to move all the large pavers. After the project was completed

and the pavers were replaced, it was noted that several corners were broken on pavers in the main traffic areas. Mr. Fletcher said there was a liability concern should someone catch a heel in the space, etc.

Therefore, he recommended exchanging the broken pavers with unbroken ones located elsewhere in the plaza in low traffic areas. Initially, staff tried to simply locate more pavers, which had been made by Masolite years ago, in order to try and replace the broken ones. However, Masolite no longer makes these pavers, and those companies that do couldn't guarantee a match to the originals. Mr. Fletcher added that replacement pavers would be quite expensive as well, pricing anywhere from \$600-\$2700 each.

Mr. Powell's said that low traffic placement of broken pavers was a better option, but wouldn't liability still be a concern. Mr. Fletcher thought not since he anticipated putting the broken areas up against walls or the planters which would make walking on them nearly impossible.

Mr. Lindsay stated that a quote was forthcoming from a local company, Fruchey's, for the work to physically relocate these pavers.

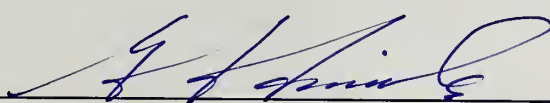
Jefferson Skywalk Elevator

Mr. Fletcher handed out a letter from the Fort Wayne Community Foundation which stated that the Foundation was donating \$22,615 from its Advised Clarke Endowment Fund to the Commission to use specifically for funding the elevator project. He reminded the Commissioners that he had approached four entities, the Grand Wayne Center, the Botanical Conservatory, the Hilton Hotel, and the Embassy Theatre to fund the remaining balance of the elevator project. However, neither the Embassy nor the Hilton could contribute their "share", leaving a funding gap of approximately \$22,000.


Mr. Fletcher said the Foundation had contacted him earlier concerning the needed financing and had said it might have a possible donor. The Commission received the donated funds just last week. He said the Commission's financial investment was \$57,000 and the Conservatory and Grand Wayne would contribute approximately \$11,000 each. He added that the Conservatory would maintain/cover the cost of elevator operation (utilities) and the Grand Wayne would take responsibility for the maintenance of the elevator itself. Mr. Fletcher said he would have signed agreements from both organizations to that effect.

With no further business to discuss, Mr. Simler motioned to adjourn the meeting and Mr. Powell did second the motion. The meeting was adjourned at approximately 5:30p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: 
July 7, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

SPECIAL MEETING MINUTES

JULY 7, 1997

(BID OPENING)

TIME: 8:30 a.m.

PLACE: City-County Bldg. - Rm. 810

MEMBERS PRESENT: John B. Powell - Member

MEMBERS ABSENT: R. Steven Hill - President
Steven E. McElhoe - V. President
George F. Simler, III - Secretary
Larry Drees - Member

STAFF PRESENT: Ron Fletcher - Executive Director
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: None

OTHERS PRESENT: Representatives of bidding companies

CALL TO ORDER: Mr. Powell called to order this special meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that only Mr. Powell was present at the meeting and all other Commissioners were absent. A quorum was not established.

NEW BUSINESS

Bid Opening - Calhoun & Barr Streetscape Project

Mr. Powell opened the two bids that had been received that morning and disclosed the following quotes:

<u>Bidder</u>	<u>Base Bid</u>
Brooks Construction	\$499,707.34
Pioneer Associates	\$514,651.55

Mr. Powell advised the representatives present that the Commission would take the bids under advisement and any discussion would take place at the next Commission meeting which was scheduled for 4:30p.m. that same day in Room 128 of the City-County Building.

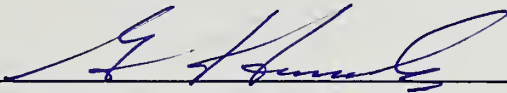
The bidders asked if there was an engineer's estimate of the project and the amount. Mr. Kravig stated initial estimates hovered around \$400,000 - \$410,000 but that the latest figures he had received were even lower. Pioneer Associates

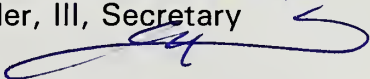
asked if the project might be split up into different segments with the possibility that both contractors might be working on different segments. Mr. Kravig stated that would not be the case. He said that after discussion at the afternoon meeting, a contract would only be awarded to only one bidder, or possibly not at all if the Commission decided to reject both bids.

Mr. Fletcher stated further questions could be addressed at the afternoon meeting and he thanked both companies for their interest in the project.

The meeting was then adjourned at approximately 8:50p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: July 7, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

SPECIAL MEETING MINUTES

July 7, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 810

MEMBERS PRESENT: R. Steven Hill - President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: Steven E. McElhoe - V. President

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: David Arnold - Miller Valentine Group
Doug Schenkel, Ed Baker - L & L Fittings
John Stafford - Mayor's Office
Trisha Gensic - Dept. of Economic Development
John Shoaff, Geoff Paddock - Headwaters Park Comm.
Representatives from bidding firms
Members of the media

CALL TO ORDER:

Mr. Hill called to order this special meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL:

It was noted for the record that Commissioner McElhoe was not present at the meeting but a quorum was established.

APPROVAL OF CLAIMS:

Upon a motion by Mr. Powell and a second by Mr. Simler, the April and May 1997 Claims for the Commission were approved unanimously.

APPROVAL OF MINUTES:

Upon a motion by Mr. Simler and a second by Mr. Powell, the May 19, 1997 Regular Meeting Minutes and the July 7, 1997 Special Bid Opening Meeting Minutes were approved unanimously by the Commission.

OLD BUSINESS:

None

NEW BUSINESS:

Presentation - Headwaters Park

Mr. Paddock and Mr. Shoaff of the Headwaters Park Commission addressed the Commission on the status of several facets of the Park project.

Mr. Shoaff indicated that the festival center in the Park has just opened and several festivals have been held there recently with much success. He also mentioned that the last phase of construction, Phase IV, was just beginning on the west side of Clinton Street. That phase would involve the construction of a terrace similar to the one just built for the festival center on the east side of Clinton. He added that the Redevelopment Commission would utilize funds from the Headwaters Park bond to construct the parking lot (on Clair Street) which would serve Phase I and Phase IV of the Park.

Mr. Shoaff further stated the Headwaters Commission was very close to meeting its fundraising goal of \$9.7 - \$9.8 million dollars. It has already raised \$9.0 million toward that goal and Mr. Shoaff maintained that even though there were a few "ifs" still to hurdle concerning pending contributions, it appeared that less than \$144,000 remained to be raised.

A primary focus for the Headwaters Commission currently, per Mr. Shoaff, was now the future status of the former Armory site/building and just how it would tie into the Park. He said the Commission had some recommendations for different ways to deal with it. He said the Park architects have been designing various options for the Armory, depending on whether the building stays or is demolished:

1. Utilize the building as an open-air pavilion (by removing the sides)
2. Demolish it and build a pergola onsite for an entrance effect

Mr. Shoaff stated the Commission has two criteria for use of the Armory. One, it should buffer the park visually from the County jail which is located south of the Park; and two, the Commission wants the building to be reused properly and in a responsible way. Mr. Shoaff also commented that retaining the building would allow people to use it as shelter during festivals and other functions if it rains, is too hot, etc.

Lastly, Mr. Shoaff stated the Headwaters Commission would be examining the various options for the Armory and he anticipated looking at the capital costs, maintenance/operating costs, and income stream for all options. His Commission would then make recommendations to the City and the Redevelopment Commission as to its findings. Mr. Powell asked if any basic estimates were known yet on the various use options but Mr. Shoaff said any figures were very preliminary to date and he did not have any information yet. He added that the operations/maintenance cost was going to be the big number though.

Mr. Paddock thanked the Commission for its contributions and partnering in making the Park a reality and stated that the Park would indeed be completed on time and within budget. He also commented that the Park is being used actively which should assuage any of the past concerns the Redevelopment Commission had expressed about the Park being used only passively.

Mr. Fletcher asked when the Headwaters Commission would have its recommendations as to the Armory options. Mr. Shoaff said the working date for recommendations would be by the Headwaters Park Commission August (1997) meeting.

In response to Mr. Simler's questions, Mr. Shoaff said the jail would be screened with fast-growing trees, arbors, etc. Mr. Cain, Urban Design Planner for the City, and who has been involved with landscaping and design for the Park, stated that the proposed landscaping/trees etc. would completely canopy within ten years, effectively screening out the jail.

Discussion - Baker Street (Train) Station

Mr. Fletcher explained that he had spoken several times with Vic Martin, principal with Martin Riley Mock, concerning the unexpected sewer problems encountered within the last year during the renovation of Baker Street Train Station. Mr. Fletcher stated that Mr. Martin’s firm spent \$7,697.65, receipts of which had been distributed to the Commissioners, in making the necessary sewer repairs. Mr. Martin was asking the Commission to cover these unexpected costs, or at least assist in paying them.

Mr. Fletcher stated that the Commission sold the Station “as is” to Martin Riley Mock (in May 1996) and the Commission had not experienced any sewer problems during the five years it had owned it. However, in response to Commissioner questions, he stated that if staff had encountered these types of sewer problems during its ownership, staff would have recommended fixing them.

Commissioners asked for a recommendation from Mr. Fletcher as to funding these costs and Mr. Fletcher responded with splitting the costs equally with Martin Riley Mock under the circumstances. Mr. Hill specifically asked if Mr. Fletcher thought any other unknown major problems could occur in the future. Mr. Fletcher thought not since most of the major renovation was done and the building was being actively used with no further problems cropping up.

Mr. Simler motioned to approve Mr. Fletcher’s recommendation of funding fifty percent (50%) of repair costs. Mr. Drees did second the motion. Said motion passed by a vote of three (3) for, none opposed, and one abstention. Mr. Powell abstained from voting since Martin Riley Mock is a client of his law firm.

Mr. Fletcher mentioned subsequently that he did check with Commission Counsel as to the legality of the Commission paying for these costs since there is a sale and development agreement with Martin Riley Mock.

Resolution 97-29
Approving an Exclusive Real Estate Listing Agreement with David M. Kaufman, CCIM

Mr. Fletcher reminded the Commissioners that they had wanted to extricate themselves from the Midtowne Crossing project whenever it was appropriate. He stated that NBD Bank, lienholder on all remaining Commission-owned residential units at Midtowne Crossing, and owner of several vacant commercial units, wanted to divest itself as well and was now being forced by federal mandate to relinquish ownership of its properties. Therefore, NBD proposed selling the remaining NBD/Commission-owned units at a nationally advertised auction through a licensed auctioneer. Mr. Fletcher said this resolution would approve entering into an agreement for sale at auction with the David Kaufman Company out of Chicago, Illinois.

Mr. John Wernet, former Commission Counsel who still handles the legal aspects of the Midtowne Crossing project, explained that the proposed auction agreement was very typical. NBD would pay for the \$19,500 cost to market and advertise the units for sale by the auction company. There would be a 10% buyer’s premium added to the selling price to pay the auctioneer’s commission.

Mr. Fletcher stated that the Mortgage Security Agreement and the operating agreement that the Commission signed with NBD regarding the Commission-owned residential units calls for all proceeds of unit sales to be paid to the bank. Therefore, the method of sale, by auction or individual realtor, did not affect the Commission in any way. Moreover, Mr. Fletcher stated it would get the units into

private sector hands more quickly and back on the tax roles. The only units the Commission would still own would be the two parking garage units.

There was no further discussion and Mr. Hill called for a motion. Mr. Drees motioned for approval of Resolution 97-29 and Mr. Powell did second the motion. Said motion passed unanimously.

Presentation - John Stafford, City of Ft. Wayne

Before the representative from Miller Valentine addressed the Commission, Mr. Fletcher asked that Mr. John Stafford, Strategic Planner with Mayor Helmke's office, make a brief presentation so as to set the stage for both ensuing tax abatement resolutions that were to be discussed at the meeting. He also mentioned the handout that the Commissioners had received at the beginning of the meeting which was a 5-page letter signed by the County Commissioner's office, County Council, and County Redevelopment Commission as it related to the pending tax abatement discussion.

Mr. Stafford, having appeared before the Commission several times before on the issues surrounding infrastructure serving the southwest area of the City, gave a brief update on status. He said after the Memorandum of Understanding was signed by the Commission and seven other local governmental entities, the County did close on the \$4.4 million dollar TIF bond, backed by the GM allocation area revenues. He added that GM's pending tax appeal was low enough that it did not affect the County's ability to go to market with the bonds.

Subsequently, Mr. Stafford said the County has bid and awarded a contract for the Southwest Water Feeder Main construction which will run from the intersection of Paulding and Harrison west along Paulding Road/Baer Field Thruway to the intersection at Old Indianapolis Road. This water main will provide substantial water capacity for the southwest area.

Likewise, Mr. Stafford reported that the City Water Pollution Control engineering department has contracted with an outside firm to provide engineering design work for Phase I & II of the GS Interceptor Sewer and the Harbor Ditch Interceptor. The GS Interceptor line will run from Lower Huntington Road up through a portion of Waynedale and terminate at the St. Marys River. Mr. Stafford stated that Phase I will be funded by the County's GM TIF revenues. Phase II is anticipated to be funded by TIF revenues generated from the Redevelopment Commission's Baer Field Economic Development Area (EDA), as well as supplemented by "several other revenue sources" although said sources were not identified by Mr. Stafford.

Mr. Stafford stated the issue hinged on the *timing* of the construction of the Phase II Interceptor Sewer. If the County's prospect, Monaco, does locate its facility off the proposed *Harbor Ditch* Interceptor, next to the existing Nestle site, TIF revenues generated from the Monaco project would pay for construction of that particular interceptor line (Harbor Ditch). Monaco would *also* use up most of the newly created sewer capacity provided by Phase I, thereby necessitating that Phase II (Commission funded) be constructed much sooner than originally anticipated. however, if Monaco does not locate at this site, Mr. Stafford said Phase I will be able to provide, for the time being, adequate capacity for new developments that require only marginal sewer usage, as well as eliminate the existing sewer capacity deficit. Thus, Phase II would not need to be implemented as soon.

Mr. Stafford closed his remarks by stating that the City is presently working on gap financing (the supplement revenue resources) for Phase II, should Phase II need to be constructed sooner as opposed to later. However, he said that the collection of TIF increment revenues in the southwest allocation areas such as the Baer Field EDA are critical and are being counted on to fund the needed infrastructure.

Mr. Fletcher stated that the County's letter to the Commission seemed to indicate it does not want the City/Commission to use the additional sewer capacity created by the Phase I project. If the Commission does approve tax abatements in the area, the County wants assurance that the City/Commission is going to put "something together" financially to pay for the additional \$900,000 needed to build out Phase II.

Mr. Stafford said he interpreted the letter slightly differently in that the County wants to be assured that if it funds the GS Interceptor Phase I with GM TIF monies, and the Monaco development project does indeed come on board, then the Monaco development will be able to use the extra capacity that would be provided by Phase I. In other words, the County does not want to pay for improvements to the City's *interior* water and sewer systems (which will increase sewer and water capacity in certain portions of the County southwest of the City) and then watch City economic development projects use that capacity up and 1) never contribute to the funding of the Phase I improvements, and 2) impact the County's ability to site more economic development projects. Mr. Stafford commented that this situation was a fundamental issue for creating the Memorandum of Agreement.

Mr. Fletcher asked Mr. Stafford to speak on the position of the Board of Works (BOW). Mr. Stafford, also identified himself as a BOW boardmember, explained that the southwest area had many "red zone" areas which had development moratoriums placed on them because the sewer and/or water lines were already at capacity or beyond. Therefore no new development could go into these areas. He said, however, that the BOW had discussed the Miller Valentine project proposal at length during the meeting last week and had waived the moratorium for this one site. The Board had been satisfied with the proposed financing arrangements and recognized the facility as being a relatively low user of water/sewer.

Mr. Powell asked what funding sources could the City tap to fund the GS Interceptor Phase II and Mr. Stafford identified four. He said TIF revenues generated by the Baer Field EDA, CEDIT dollars, City Utilities revenues, and the Light Lease revenues which will become available in year 2001 when the Headwaters Park Bond will be retired. He mentioned that possibly the Dept. of Commerce or the Community Trust Fund may also be able to structure a loan to the City.

Mr. Fletcher added that it would be fair to say the City will have to participate, but that the Commission will need to put a bond issue in place so that funding will be available to do improvements all at once and not piecemeal the construction. Mr. Stafford elaborated that the mix of monies will be determined by how soon Phase II will be needed. If it is needed earlier than anticipated, i.e., if Monaco comes online, then the more reliance will be placed on other funding sources. If Phase II is not needed until later, then TIF revenues will be the main funding source.

Mr. Hill wanted to know what the timetable would be for Phase II construction. Mr. Stafford said the engineering should be done by next fall and, if funding is in place, Phase II would probably be bid next winter. Or, Phase II may be sequenced in that it will begin as soon as Phase I is completed.

Mr. Powell expressed concern that, based on the letter received from the County, if the Commission approves the tax abatement requests in Resolutions 97-30 and 97-31, the County will construe that action as the Commission's assurance that the City will fund the remaining \$900,000 needed to complete Phase II. Mr. Fletcher stated he told Mark Royse (County Redevelopment) that there was no way the Commission would assure anyone that the Commission will put together \$900,000 in financing at this point, unless the City wants to step forward and make up the shortfall. Mr. Stafford agreed that there was no way the Commission could make that type of guarantee.

Mr. Boyer commented that the Memorandum of Understanding was just that, an acknowledgment by the parties to do the best they could to fund the various infrastructure improvement projects in the area. *It was not a guarantee to perform* by any of those parties, including the County. He indicated that originally there was supposed to be an agreement that did bond all parties, but the County itself did not want to be obligated in such a fashion. Thus, the creation of the Memorandum of Understanding instead. Mr. Boyer expressed the opinion that the Commission would not be legally bound to any inferences by the letter from the County, especially if the Commission stated that it had seen the letter but that its approval of Resolution 97-30 or 97-31 in no way construes an assurance or *guarantee* by the Commission or the City to fund any money for infrastructure improvement for the southwest area.

Mr. Hill made his views known that there is demand for industrial development in the southwest area, and that infrastructure improvements in the area need to be done and done soon. However, as he has stated in previous meetings, Mr. Hill said tax abatement is a necessary tool to make it easier to develop in that area and disallowing its use would only serve to "shoot ourselves in the foot." He elaborated that in this type of catch-22 situation, the funding source for infrastructure improvements should not be TIF revenues. He stated that if another \$900,000 is needed to construct necessary improvements, the *City* should make it a priority to find the other source(s) to fund that cost.

Resolution 97-30

Allowing the designation of property as an Economic Revitalization Area for Miller Valentine Partners of Indiana in the Baer Field Economic Development Area

Mr. Fletcher stated he met with Mr. Dave Arnold from Miller Valentine approximately three weeks ago concerning the request for abatement at a site in the Baer Field Economic Development Area (Baer Field EDA). At that time, Mr. Fletcher went over the Commission's abatement policy with Mr. Arnold and the problem of abating taxes which would otherwise generate TIF revenues to pay off a proposed bond issue for the area. He said Mr. Arnold returned later with a proposal to get the Commission some of the abated TIF revenues "up front" by proposing an alternative schedule of abated tax payments.

Mr. Arnold, President of the Miller Valentine Ft. Wayne operations, briefly described the history of the company and its evolution into the regional developer that it is today. He reported the National Association of Office & Industrial Properties (NAOIP), which is the "largest industry group in the commercial development business," honored Miller Valentine in 1994 as "Developer of the Year" for the entire country. Mr. Arnold said the company was especially proud of this achievement since it was a major feat for a mid-sized company to win out over much larger development companies from across the nation. He went on to list several of the area projects that his company has been involved in developing, including the recently built, quickly leased, largest speculative light industrial warehouse building in Ft. Wayne, which is located in the Commission's own Centennial Industrial Park.

In further comments, Mr. Arnold stated that in reality, it is very difficult to find a seven-acre site in the Ft. Wayne area on which to build a distribution facility that is in an industrial park, has existing utilities, and represents a quality location. He admitted that the Baer Field site was not even his first choice because of three strikes against the area itself: 1) Dalman Road (not extended to I-469); 2) the red zone development moratorium due to insufficient sewer capacity; and 3) the lack of full tax abatement opportunity. On tax abatement, Mr. Arnold stated abatement is not just an insignificant incentive in an economic package, it is a *necessity* in the

development business in order to competitive with other development sites throughout the region of Indiana, Michigan, Ohio, and Illinois.

As for specifics on the project proposed for the Baer Field EDA site, Mr. Arnold said the spec building would look almost exactly like the one that was built in Centennial Industrial Park. It would be a light industrial warehouse facility that encompasses 112,000 sq.ft. He added that he understood the need for collection of TIF revenues to pay for needed infrastructure and thought the modified abatement schedule Miller Valentine has proposed would accomplish that for the Commission.

Mr. Fletcher explained that the modified abatement schedule translated into only \$2,000 less in total taxes and other revenues paid over ten years than what would be received under a six-year schedule, the difference being that the Commission would receive more money within the first four years under the modified plan. Receiving more money sooner was a much better option for the Commission in order to meet TIF revenue obligations for bond repayment. Mr. Fletcher then went over the numbers more specifically, comparing totals for the first four years under both schedules, and then total tax collected at the end of the abatement period under both schedules.

Mr. Fletcher reminded the Commissioners that over the past few years the Chamber of Commerce has often stated the need for speculative buildings in the Ft. Wayne area, but that Mr. Fletcher has always responded by requesting evidence of market demand for such. This was one of the reasons the Chamber contracted for the industrial site analysis study that the Commission participated in.

While Mr. Fletcher stated that no one in the real estate development community ever come forth to say it wanted to build a spec building because the Chamber said Ft. Wayne needed one, he also added that this probably was due to a developer's reluctance to shoulder the carrying costs of such a building should it turn out that there was *NOT* a market. Now, however, Mr. Fletcher said that Miller Valentine *has* taken the initiative, beginning with the Centennial Park spec building, and has shown that there is a market for these buildings.

Mr. Hill asked, in light of the negatives in the area, what made Mr. Arnold select the site in the Baer Field EDA. Mr. Arnold said the site had at least adequate transportation access to I-69 and I-469, that there was a large amount of land already properly zoned, and that there seemed to be a positive momentum building in the area that his company wanted to be a part of for the long run.

Mr. Drees asked what the first choice of sites was for Miller Valentine since Baer Field was the second. Mr. Arnold replied it was the area around the interchange of State Rd. 30 and I-69. He thought that area was an important trucking hub, however, there simply was no land left in that area of the size he needed.

Mr. Powell asked about the Statement of Benefits information, specifically the number of employees (30) and the \$600,000 payroll. Mr. Arnold said those numbers were based on an actual proposal that the company already had out to a prospective client. He did say those numbers could vary but that Miller Valentine buildings averaged around 50 employees.

Mr. Hill asked Mr. Fletcher if the Commission would be remiss with the County, in light of the letter, if Resolution 97-30 was approved. Mr. Fletcher thought the Commission would be remiss not to approve the project and abatement. It would generate tax increment, which was needed obviously, and he felt there would be other sources of revenue secured by the City to address any funding needed to pay for needed infrastructure in the southwest area.

(Mr. Powell noted that the record should show that Mr. Stafford was nodding his head in agreement to Mr. Fletcher's remarks about City involvement in funding.)

Mr. Fletcher also said the Miller Valentine application should be considered under the "extenuating circumstances" clause of the Commission's tax abatement policy and in conjunction with the fact that the developer was willing to be innovative enough to meet the needs of the Commission as well as its own.

Mr. Powell motioned for approval of Resolution 97-30 and Mr. Simler did second the motion. It passed unanimously.

Resolution 97-31

Allowing the designation of property as an Economic Revitalization Area for D.P.S. Co., Inc., (d/b/a/ L & L Fittings) in the Baer Field Economic Development Area

Ms. Trisha Gensic, of the City's Economic Development Department, introduced the application, stating it was similar to the other Baer Field EDA applicants and yet different in that it was an application for personal property only, i.e., machinery, and only for purchase to replace existing, outdated equipment. There would be no impact on the sewer system since the company already existed in the EDA area and was not planning any improvements that would increase its sewer usage.

Mr. Doug Schenkel, Partner, and Mr. Ed Baker, V.P. - General Manager spoke on behalf of the company's request for tax abatement. Mr. Baker commented that the company has been in Ft. Wayne since 1983 and moved out to the airport area when other companies were leaving it, so he was glad to hear the earlier discussion on the proposed improvements and developments, etc. Mr. Baker said from his perspective there seemed to be so many vacant buildings in the area when Krogers, Kresge, Tuthill, etc. moved on.

Mr. Baker went on to explain that L & L Fittings makes hydraulic fittings and has been using machinery that was designed just after the turn of the century and built during the World War II era. The company is competing, however, with other firms possessing more modern equipment, but yet, until recently, had been unable to find the technology it needed to make the equipment upgrades.

Now the company has found the right technology it needs to replace its existing equipment. Mr. Baker said those upgrades will create a further need to increase personnel in the secondary area of the company, which includes machining, assembly, and packaging jobs. Later, he elaborated that company presently employs about 100 workers and is understaffed in the area that he called the "backbone" area, where several components are made and then assembled. This backbone area is critical to increased productivity and competitiveness with other firms and he plans to add another 30-40 employees in this area.

Mr. Schenkel stated that the company supports large customers like Navistar, Ford Heavy Truck, and heavy farm equipment manufacturers, even though there are other hydraulic fitting suppliers that are much bigger and compete on a global scale.

There was some further discussion concerning the specifics of hydraulic fittings, and how they are made as well as the identification of the company's operating system standards and quality control.

In response to Mr. Hill's question, Mr. Fletcher remarked that the Commission has discussed in past meetings the need to support abatement for existing businesses as well as the ones newly locating to the area. In that regard, this was an opportunity to assist an existing business.

Moreover, Mr. Fletcher stated that, in the past, the Commission has never used personal property revenues to back a bond issue, so under that criteria Mr. Fletcher would recommend the application be approved. However, regarding policy, Mr.

Fletcher stated that the recently adopted Tax Abatement Policy does state that the Commission will begin to consider personal property tax as a source of revenues with which to retire a bond. In that light, Mr. Fletcher stated that the abatement period was only for five years which was accelerated relative to real property, and of course, there would be no increase in sewer usage by L & L Fittings.

Mr. Simler questioned if the Commission was setting a precedent by its proposed actions, i.e., would the Commission be approached for abatement requests from every company that upgrades or expands its equipment in the Baer Field EDA. Mr. Fletcher confirmed that and stated anytime a development occurs in the area, the Commission would be receiving some type of abatement request.

Mr. Drees motioned for approval of Resolution 97-31 and Mr. Powell did second the motion. The motion passed unanimously.

OTHER BUSINESS:

Resolution 97-37

Approving a contract with Brooks Construction Company, Inc.

Mr. Fletcher explained that the Commission took bids on the Barr/Calhoun Streetscape project that morning and said project called for specific pedestrian corridor improvements on Barr Street from Duck to Main Street and from approximately the County Jail south to the railroad elevation on Calhoun Street. The Commission had received two bids. Low bidder was Brooks Construction at \$499,000 and Pioneer Associates submitted a second bid at \$514,000. Mr. Fletcher stated both estimates were higher than the engineer's estimate of \$381,000.

Consequently, in order to get the bid down within budget, Mr. Fletcher said staff, the engineer, and the low bid contractor worked to reduce the scope of work appropriately. *All work* on Calhoun Street south of Superior Street was eliminated as was the asphalt work on Calhoun Street *north* of Superior. The brickwork under the elevation on *Barr* Street was also eliminated. Mr. Fletcher said the scope of work was reduced by approximately \$110,000 and Brooks' revised bid stood at \$389,970.41.

Mr. Powell asked why such a difference between the engineer's estimate and the bids. Mr. Fletcher asked Mr. Mike Fitch of GAI Consultants to address that. Mr. Fitch apologized to the Commission and again to Mr. Fletcher for GAI's failure to get final *updated* estimates to the Commission. He said that in between the pre-final and the final estimates, GAI had updated the cost figures, which GAI estimated at over \$400,000, but failed to get those figures to Mr. Fletcher.

Mr. Fitch went on to say that the thought the bid was a quality bid, especially since both bids were so close in quote. He felt that a couple items were a little high but fair and reflective of what was happening in the marketplace. Mr. Fitch said the higher bids were also due to the quality of the project, which was designed to match the high standard of design reflected in the adjacent Headwaters Park.

Mr. Simler motioned for approval of Resolution 97-37 subject to the contractor committing to a bid quote of \$389,970.41 and Mr. Powell did second the motion. Prior to the vote, Mr. Fletcher stated that this project, along with other budget commitments, would use up any remaining Headwaters Park bond funds and may leave a small deficit of approximately \$41,000. However, Mr. Fletcher added that deficit was a worst case scenario. He anticipated that the ballistic sand removal cost estimate (\$82,250) associated with the Armory clean-up would not actually run that high, thereby reducing the likelihood of a deficit occurring.

Mr. Hill then called for a vote and the motion to approve Resolution 97-37 passed unanimously.

NEW BUSINESS (con't):

Resolution 97-32

Approving the collection of tax increment from property taxes on real estate located within the Civic Center, Washington Center/Coldwater Road, Illinois-Getz Road, Summit Industrial Park, Centennial Industrial Park, Jefferson/Illinois Road, and Baer Field Tax Allocation Areas

Mr. Fletcher stated this resolution is exactly the same as last year except for the addition of the Centennial Industrial Park allocation area. He said he had removed Centennial from the list last year since there was (and still is) an accumulation of approximately \$121,000 in that TIF district account already.

However, Mr. Fletcher stated the City is now looking to do about \$800,000 of infrastructure improvements in Centennial Park. It has asked the Commission for assistance in funding these infrastructure costs by collecting another \$150,000 in TIF revenues over and above the existing balance of \$121,000. Mr. Fletcher added that there is no outstanding bond to repay from TIF revenues generated by Centennial Industrial Park.

Mr. Powell motioned for approval of said resolution and Mr. Simler did second the motion. It passed unanimously.

Resolution 97-33

Approving and ratifying the settlement of the acquisition of the Don Hall Trust parcel in Phase III of the Headwaters Flood Control and Park project

Mr. Fletcher stated this settlement was discussed at the last Commission meeting and this represented the formal resolution approving it. He said the Commission's appraisals on the parcel averaged at approximately \$44,000 and the Court ordered appraisal value came in at approximately \$42,000. The settlement amount came to \$52,134.15. The Commission agreed to pay the extra \$10,000 over the Court appraised value in lieu of litigation costs (and lost time) if the case went to trial.

Mr. Powell asked if there were any other appraisals done on the property, i.e., by the Trust. Mr. Fletcher responded that the Headwaters Park Commission had originally hired someone to perform an appraisal because it was going to ask that the parcel be donated to the Park. It was subsequently discovered, however, that because the land was held in trust it would be unable to be donated outright.

Unfortunately, copies of the Headwaters Commission appraisal, which had come in at the much higher figure of \$95,000, had already been given to the bank (Norwest) that manages the Trust. The bank, therefore, wanted to negotiate purchase of the parcel based on *that* value. This, in turn, led to the Redevelopment Commission's requesting its own appraisal (which was substantially lower), a court filing, a court-ordered appraisal (which was substantially lower), and finally, the settlement (in lieu of litigation) of the \$52,134.15, far lower than the \$95,000 originally sought by the bank. Mr. Fletcher stated that since timing was critical and, moreover, it was possible the Commission could lose the case, he decided to settle instead of going to trial.

Mr. Simler motioned for approval of Resolution 97-33 and Mr. Drees did second the motion. It passed unanimously.

Resolution 97-34

Approving an agreement for consultant services for the Columbia/Calhoun Street sidewalk/brick reconstruction project

Mr. Lindsay stated that this resolution makes a recommendation for selection of a consultant to assist the Commission in identifying problem areas of sidewalk reconstruction, brick repair, lighting, etc. in the area covering the entire length of Columbia Street and Calhoun Street from Berry Street to Washington Boulevard. The consultant will also recommend the best solutions to the those problems. Mr. Lindsay said a key component of services rendered by the consultant will be to decide how to break the project up into manageable segments.

Mr. Lindsay reported that the Commission had received three bids in response to the Request for Proposal on the project. The Bonar Group, as the best and lowest bidder, quoted a fee of \$10,600; Martin Riley Mock quoted a fee of \$12,480; and Grinsfelder Associate Architects came in at \$32,550. All quotes were also subject to reimbursables.

Mr. Simler questioned the large difference in Grinsfelder's quote and the other two, approximately \$22,000 higher. He was concerned that something important may be missing from the quotes of the other two. Mr. Fletcher responded it was not known why that quote was so high, but he was satisfied that the other two quotes were complete since they were so close in amounts. He felt Grinsfelder was just high, as he has been on other quotes for the Commission. Mr. Hill commented that it could also be due to Grinsfelder's busy schedule with Headwaters Park.

With no further discussion, Mr. Powell motioned for approval of awarding the contract to the Bonar Group and Mr. Simler did second the motion. The motion passed by three (3) yea's and one (1) abstention by Mr. Drees since Bonar is a client of Mr. Drees' CPA firm.

Resolution 97-35

Approving and ratifying a change order to a contract with Structural Preservation Systems

Mr. Fletcher explained that when Structural Preservation was making its repairs to the deteriorated concrete on the underside of the parking garage ramps, it discovered areas of *further* deterioration located on the north ramp. Structural provided a quote for the additional work of \$3,080 which correlated to \$56/sq.ft. for the extra 55 feet of concrete repair. Mr. Fletcher stated he had the County Commissioners down to the site to view the problems and they agreed to fund 50% of the additional repair cost.

Mr. Simler motioned for approval of said resolution and Mr. Drees did second the motion. It passed unanimously.

Resolution 97-36

Approving contracts with Ronald E. Gettel and Misner & Associates, Inc.

Mr. Kravig explained that the next step to be taken with the Indiana Textile Building was to have it appraised for leasehold value so the Commission could proceed with a public offering for lease. He stated that Misner and Gettel have already appraised the building for purchase back when the Commission acquired it for Headwaters Park, therefore, they both had substantial background information needed to perform the leasehold appraisal. Mr. Kravig indicated It would be economically prudent to hire them since another appraiser would have to compensated for his/her "learning curve" about the building. Gettel and Misner quoted fees of \$950 each to perform the necessary leasehold appraisals.

Mr. Kravig also commented that the Commission staff is excited about the potential reuse of the building as an enhancement to Headwaters Park and to the downtown area. He said the Commission is leasing the building, as agent for the Board of Public Works, in order to retain control over the building and its use.

Mr. Simler asked if the Commission was setting the parameters for rehabbing the building. Mr. Fletcher stated the Commission will be the approving party for any proposal, thereby having control over how the building will be worked on. Mr. Kravig added that almost all the proposals received thus far have emphasized minimal changes to the building, that its current rustic "look" and exposed brick is appreciated and valued by those wishing to lease it.

Mr. Fletcher stated that staff anticipated at least three proposals for lease once the Commission makes a public offering.

With no further discussion, Mr. Simler motioned for approval of Resolution 97-36 and Mr. Drees did second the motion. It passed unanimously.

OTHER DISCUSSION

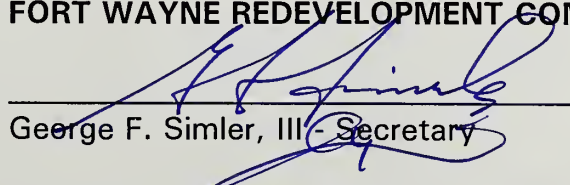
Prior to adjourning the meeting, Mr. Fletcher addressed the upcoming Planning Session briefly and indicated the Commissioners would be receiving an agenda shortly.

Mr. Fletcher touched on status of the Armory, stating that October 1, 1997 is the anticipated demolition date if no other plans can be made for it. He stated the Jaycees had wanted to use it again for its Haunted House, but that a letter has been sent stating it would not be available again due to possible demolition. Mr. Fletcher mentioned that Martin Enterprises has offered the old Wayne Feeds buildings as an alternative site for the Jaycees and will allow them to use it for free.

As far as the Courthouse Plaza project, Mr. Fletcher said he met with Dick Waterfield last week and they have worked out a timeframe of 60-90 days to resolve all Waterfield's issues, as well as have the necessary resolutions and bond counsel in place so as to be able to move forward in whatever direction the Commission decides upon. Mr. Fletcher said he has already started the process of issuing a bond and commented that in order to bring down the interest rate and possibly eliminate debt service reserves, the Commission may need some "backup" from City Council.

With no further discussion, Mr. Simler motioned that the meeting be adjourned and Mr. Powell did second the motion. The meeting adjourned at approximately 6:45p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III - Secretary

ADOPTED: August 18, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

**SPECIAL PLANNING SESSION MEETING MINUTES
July 10, 1997**

TIME & PLACE: 8:15a.m. (City-County Bldg., Rm. 810)
10:15a.m. (Grand Wayne Center Boardroom)

MEMBERS PRESENT: R. Steven Hill - President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: Steven E. McElhoe - V. President

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Gary Wasson - Grand Wayne Center
Don Steininger - Convention & Tourism Authority
Dan O'Connell - Convention & Visitor's Bureau
John Stafford - City of Ft. Wayne
Gregg LaMar - City of Ft. Wayne
Tom Cain - City of Ft. Wayne

PRIOR to the sit-down planning session, the Commissioners, staff, and City personnel met at approximately 8:15a.m. and took a windshield tour of specific areas and sites within the downtown. This provided a firsthand, visual orientation to some of the project areas that would be discussed later in the morning, or had been discussed at past meetings.

The tour ended around 10:00 and the Commissioners and City personnel were dropped off at the Grand Wayne Center. The discussion/planning portion of the meeting began at approximately 10:15 in the 2nd floor boardroom.

CALL TO ORDER:
The meeting was called to order at approximately 10:20a.m.

ROLL CALL:
All Commissioners were present with the exception of Mr. McElhoe.

APPROVAL OF CLAIMS:
None submitted for approval

APPROVAL OF MINUTES:
None submitted for approval

OLD BUSINESS:
None

NEW BUSINESS:-

Presentation - Tom Cain, Urban Design, City of Ft. Wayne

Mr. Cain gave short presentations on various projects within the City, as follows:

-The East Central Hope VI project is predicated on receiving initial funding from HUD. This project will attempt to revitalize the East Central neighborhood near downtown with new mixed income housing and new or enhanced neighborhood commercial entities.

-The South Calhoun business corridor project is being administered by the City Planning Department in conjunction with the national, not-for-profit consulting organization, Partners for Livable Communities. It is hoped that facade and streetscape improvements will occur utilizing a combination of funding from both the private and public sectors in order to improve the visual and economic interest within the area and to create spin-off investment.

-The Broadway Corridor has some City involvement but a great amount of the impetus for, and direction of, improvements to this corridor have come from the private sector. Again, the goal is to improve the facade and street conditions, and to enhance the physical aesthetics so as to stimulate neighborhood revitalization, including business and residential aspects.

-The Wallace Street Complex is a multi-department project by the Board of Public Works and City Utilities to clean up the City-owned facilities at Wallace and Lafayette Street. City Utilities will be building a new water maintenance facility onsite and the Board of Works will be involved with street realignment, streetscape improvements, etc., and will also be relocating some of its departments to the Wallace Street complex.

-The St. Peters and Zion Lutheran Churches have partnered to develop a joint church "campus" in the area of Hanna and Dewald Street. Project Renew is also participating in the overall project with plans to renovate existing and construct new affordable housing near the church campus. This project will complement the renovation of the Bowser Street Police Headquarters Complex.

-City Police headquarters were moved several years ago to the Creighton/Bowser neighborhood onto deteriorated property owned by the City (Bowser Street Complex). Renovation has been ongoing since that time with plans to develop potential uses for other buildings and land within in the complex so as to benefit the surrounding neighborhood.

Presentation - Gary Wasson, Grand Wayne Center

Mr. Wasson presented a brief history on the Grand Wayne Center before moving on to discuss proposed expansion plans.

Mr. Wasson said that the Grand Wayne convention center project was conceived in 1972 when the Convention and Tourism Authority was established by State legislation. At that time, the Authority began collecting a 3% room tax (in Allen County) in anticipation of funding the construction and operation of the convention center. There was no funding available at the time from either the City or the County to assist in developing the project. However, the Fort Wayne Redevelopment Commission (FWRC) did fund real estate acquisition/relocation expenses and site preparation costs. The project was put under the Redevelopment Commission's "wing" since the Authority had no staff yet. A site was selected in 1978 and construction began in 1983.

When ground was broken for construction, the Authority realized funding from a 3% room tax would not be adequate to cover costs of debt service and operations

for the center and consequently requested State legislation to authorize an increase to 5%, which it did. The current rate of 6% became effective two years ago, however that one percent increase increment goes solely to the Convention & Visitors Bureau for marketing purposes so the Grand Wayne receives none of that increase.

Mr. Wasson reported that the Grand Wayne was in its 13th year of operation and that by year's end would be completely debt free. The Grand Wayne was "bursting at the seams" with business and a recent economic feasibility study showed the market would support an expansion of the Center.

Mr. Wasson stated that the Grand Wayne Center also needed to expand its space in order to compete with the various convention centers that have grown up in the last 15 years. Whereas the Center originally had competition from only South Bend, Evansville, and Indianapolis, now convention and meeting business was being sought by additional municipalities as well as large hotels in Indianapolis.

The Grand Wayne is currently 100,000 sq.ft. with 50% used as rental space and 50% as back office operations and staging area. The recent feasibility study recommended the Grand Wayne add a 50,000 sq.ft. room (essentially double the size of the existing exhibit hall) and add more smaller meeting rooms and auxiliary space. The Grand Wayne Board is, therefore, looking to add another 100,000-125,000 sq.ft. to the existing space in order to accomplish this.

There are two expansion site options currently under consideration: 1) building directly west across Harrison Street onto the site currently serving fast food restaurant(s), and 2) diagonally across the intersection to the Belmont Liquors site. Both options would necessitate building over the street. Mr. Hill asked about cantilevering an expansion of the existing building over the street. Mr. Wasson indicated that would be too expensive and would put the extra space above street level which would not be functional for the convention center.

The price tag for this expansion, which includes the reconfiguration of existing space, is estimated to be \$20 million dollars. Mr. Wasson thought this figure also included acquisition cost.

Mr. Wasson stated that funding for the project is the big issue. He said the Convention & Tourism Authority could possibly issue a \$5.0 million dollar bond due to new state legislation which would allow a portion of the taxes (income, retail, food, beverage) generated by the Grand Wayne to be reinvested in the block. But no other funding sources have been identified thus far, leaving the Grand Wayne approximately three-fourths short of its goal. Mr. Wasson mentioned that the Grand Wayne would definitely look to the Redevelopment Commission and the City to assist in some capacity. Specifically, Mr. Wasson said he had three items he was looking for from the Commission presently:

1. Assistance with site assembly,
2. Assistance in identifying sources of funding, and
3. Consideration and inclusion of the Grand Wayne expansion in any new downtown plans that may be in the works or evolving.

When asked about funding from the County, Mr. Wasson stated that the Grand Wayne is perceived by the County as a "City" building and consequently is treated as such. The County does not think of the downtown as "County" and therefore does not think it should support it. This perception basically precludes the Grand Wayne from any funding considerations from the County.

Mr. Wasson added that Gary and Evansville have an added advantage in funding sources since they both have gambling revenues. He mentioned that Indy always seems to have money at its disposal. This puts Ft. Wayne at some disadvantage.

then when it comes down to locating the funding to finance the Grand Wayne expansion.

In other discussion, Mr. Wasson went on to say that conversations have been held over the last year and a half with Belmont Liquors, McDonalds, and Joe Christoff (owner of the parking lot adjacent to Belmont) concerning the Grand Wayne's proposed expansion needs. A land swap was a possibility with Belmont Liquor, and in response to Mr. Hill's question, Mr. Wasson said that housing McDonalds in the Grand Wayne expansion has also been discussed and is considered feasible.

Mr. Steininger commented that the Commission has already assisted in the expansion endeavor indirectly by not allowing more development or more money (improvements) to occur in the areas under consideration for expansion. He stated this was appreciated because expansion costs (for acquisition/relocation) could soar considerably depending on what kind of development went in. He also stated that he thought the fast food business owners in the area were understanding of the need to expand and thus far were cooperative in holding off on any remodeling/expansion of their stores.

Regarding downtown hotels, Mr. Wasson reported that the Hilton Hotel is probably making money and that Sunday through Thursday it is fully occupied. He also commented that the Holiday Inn is now owned by the Hilton's owners and has recently been remodeled. It too may even be making money.

Mr. Wasson also report that the Grand Wayne Center hosts 700 events a year, 95% of which are closed to the public, i.e., open only to registered attendants. These events bring in over 180,000 people of which 60% are from out of town. That figure translates into \$3 - \$4 million dollars cash (economic impact) brought into the community annually. Mr. Wasson said that the Grand Wayne's goal is to be a "loss leader" for Ft. Wayne, i.e., to get people here, especially downtown, so that they will spend their money at the hotels, restaurants, museums, and retail shops.

Mr. Steininger expounded on that point, stating that the convention fees, etc. that are received by the Grand Wayne for these events do not begin to cover its operating costs. This is not endemic to Ft. Wayne either, as this is the same situation experienced by convention centers across the nation.

Mr. Simler asked what the "net" economic impact was then, given the operating expenses, etc., of the Grand Wayne. Mr. Wasson stated if one considered the room tax fee as the expense (\$1.7 million latest figure) then economic impact would be \$1.3 - \$2.3 million dollars spent within the community.

Mr. Steininger indicated that figure would be even greater beginning next year since after the debt is retired, the Grand Wayne Center anticipates generating \$300,000 - \$400,000 dollars in revenues *after all expenses* are paid. This then would be over and above the economic impact quoted by Mr. Wasson.

Mr. Stafford asked if the hotel industry will want to lobby to lower the room tax, once the Grand Wayne has retired its debts. Mr. Wasson said there was no evidence of that sentiment that he was aware of. He said the local industry realizes that the room tax, although the highest in the state now, is an integral part of the local tourism/convention picture. Competition for the industry has changed and grown since the Grand Wayne first opened and only competed against Indy, Evansville, and South Bend for business. Therefore, the hotel business does not begrudge this tax because it knows that this money translates into direct benefit for its own business.

Mr. Stafford commented that were it not for the existence of the Grand Wayne Center there would be no hotels in downtown Ft. Wayne. Mr. Wasson agreed and

further stated that that one reason the downtown site was originally selected was to *attract* hotels to downtown as part of the revitalization strategy.

The recent announcement of the Coliseum's plans to expand was brought up and how it might impact the Grand Wayne's plans. Mr. Wasson said the Grand Wayne Center has never tried to compete with the Coliseum, nor any other facility in the local area for events. He said the Authority does not advertise locally at all. However, he acknowledged that talk of expansion and hotel construction by the Coliseum definitely tells him that the Coliseum wants to compete with the Grand Wayne by going after the convention/meeting market.

Mr. Wasson summed up his presentation by stating he thought the Grand Wayne has done a good job in the past of attracting visitors and their dollars to Ft. Wayne and particularly downtown. Now it was time to move to the next step.

Mr. Fletcher introduced the next speaker, Mr. Dan O'Connell, stating that the importance of marketing could not be underestimated in the downtown area, especially in relation to the hotels and the convention center. He invited Mr. O'Connell, as executive director of the Convention and Visitor's Bureau, to address the issues of marketing and promoting downtown.

Presentation on Marketing - Dan O'Connell, Convention and Visitors Bureau

Mr. O'Connell prefaced his presentation by making a few comments in connection with Mr. Wasson's remarks. He said he, like Mr. Wasson, has been in the business for over 20 years and he has also worked in four different states and five different communities. He said every month a community comes to town to study how Ft. Wayne developed the convention center and how/why it has been so successful. He stated that Ft. Wayne "did it right" by building a center that met the needs of the local community, allowed for growth opportunities in the future, attracted private development in and near it which simultaneously solved some urban development/planning problems, and created economic spin-off for the local businesses.

He highly recommended that the Commission support the expansion of the Grand Wayne Center, as it had originally 15 years ago, because the long range benefits will be great. He also stated that not only do for-profit organizations relate to and appreciate the Grand Wayne and the business it brings, but so do the not-for-profits such as the Botanical Conservatory across the street, the Genealogy Center down the street, and the Lincoln Museum recently relocated around the corner. In return these organizations also provide interesting attractions for those conventioners to spend their money on.

Then Mr. O'Connell spoke about what the Visitor's Bureau is (and is not). He said the Bureau is not the Convention and Tourism Authority (which it is often mistaken for) which receives the hotel room tax and then distributes it accordingly. Nor is it the Chamber of Commerce which specializes in stimulating commerce in the City through industrial development. The Bureau *is* a not-for-profit organization that is a coalition of businesses and local governments working to promote Ft. Wayne as a destination for tourists. Its job is to market Ft. Wayne/Allen County and attract people to come to the area and spend their leisure dollars.

The Bureau is governed by a board of directors one of which represents the Coliseum. Mr. O'Connell stated he thought the Visitor's Bureau is one of the few entities that works well with both the City and the County and that is because it acts as a broker for both. It operates on a \$500,000 budget, also funded by the room tax (and distributed through the Tourism Authority) as well as local business memberships. The Bureau, although housed at one time in the Grand Wayne, is currently located across Calhoun Street.

Mr. O'Connell stated that the Bureau concentrates on several major markets—conventions and meetings, leisure/recreation, and tourism markets. He cited many statistics supporting the valuable economic impact these markets bring to the local economy such as the \$6.0 million dollar impact from just the top ten (of 75) convention events alone. A study completed last year found that \$329 million dollars was spent in Allen County last year by visitors, a figure that translates into approximately \$26 million in local taxes. He added that a study two years ago found that over 500,000 people visit the Ft. Wayne Children's Zoo last year and 42% of those were from *outside the 13-county area*. The Bureau fielded 30,000 information requests last year and it followed up with a survey of those making those info requests last September and found that that 52% of them did indeed visit Ft. Wayne. He said that figure translated into about \$300 million dollars in expenditures by those particular visitors.

Mr. O'Connell added that the tourism industry employs over 6,000 community residents all of whom he wishes could "wear shriner's hats and bermuda shorts" so they would be visible to the community at large. He stated so many are invisible and they come from many industries that support tourism such as transportation, hotel/motel, restaurants/eateries, museums/parks/entertainment, the arts (both performing and non-performing), etc. He stated the effect of the tourism, leisure, and convention/meeting markets have a huge impact on the local economy which is why the Bureau works so hard to market and promote the Ft. Wayne community.

The Bureau markets Ft. Wayne as a visitor destination in various ways such as through media campaigns, inserts in newspapers across the State and Ohio, ads in various travel, tourism, and business magazines. It also has an online web page getting information about the City out to "online clientele" adding that in April the Bureau logged 80,000 hits for information about Ft. Wayne and what to do here. Mr. O'Connell said the Bureau also hosts travel writers' conferences (in hopes they will write about Ft. Wayne in their various publications) as well organizes regional getaway trips for various organizations.

The Bureau's "slogan" or marketing theme is "Ft. Wayne - the City of Attractions" and rightly so. Mr. O'Connell listed, along with the nationally recognized Children's Zoo, a variety of interesting and unique features of Ft. Wayne, including the new Science Central, the Embassy Theatre which recently expanded so it could host Broadway shows (not just secondary sized shows), a full "minor league" sports venue of hockey, basketball, and baseball teams, the new Headwaters Park, one of the best public park systems in the nation (for a city its size), and a strong performing arts program, among others.

Mr. O'Connell said that Ft. Wayne markets itself as a family oriented destination, with good reason as evidenced by the type of attractions it offers. This is a niche that no other cities are promoting. Even better, industry statistics show that family travel is the largest growing sector of the market today which means Ft. Wayne is well positioned to reap the benefits. However, the local attractions still require advertising and marketing in order to take advantage of this trend. Mr. O'Connell added that, similarly, marketing and promoting the downtown will be very important so as to get people downtown spending their money and frequenting the establishments in order to insure downtown's success and vitality.

Presentation and General Discussion - Ron Fletcher

Mr. Fletcher went over the goals of the Redevelopment Commission which was to address blight and to create economic development areas for job creation and retention. He also included the creation of allocation areas for TIF revenue collection.

Mr. Fletcher stated that per his calculations there has been approximately \$200 million dollars worth of development in downtown over the last 15 years or so. He stated that the Commission's contributions have been approximately six percent (6%) of that figure.

He also outlined the funding sources the Commission could tap in order to finance projects. Those sources include General Obligation (GO) bonding capability in an amount up to two (2%) of the City's total property value assessment, and more recently, the tax increment financing revenue collection within designated allocation areas. The GO bonding capability alone is presently about \$24.0 million dollars since it has no GO bonds outstanding, but Mr. Fletcher reminded those present how unpopular GO bonds have been with the public in recent years. This unpopularity and the need to go through the public petition process has resulted in the viability of TIF revenue bonds which have been used successfully since 1986.

Mr. Fletcher commented that in the past the Commission has concerned itself almost strictly with the "bricks and mortar" part of development such as site acquisition, demolition, site prep, etc., and left the marketing aspects of downtown and blighted areas to someone else. He remarked, however, that the future may require a realignment of emphasis and focus for Commission which is why he invited Mr. O'Connell to discuss the issue of marketing.

In other discussion, Mr. Fletcher outlined the current projects the Commission was addressing such as Headwaters Park and the future of the former national Armory, sidewalk/pedestrian corridors on Calhoun and Barr Street connecting to Headwaters, the Courthouse Plaza (old Standard Fed block) project, etc.

Mr. Fletcher elaborated that he had spoken recently with Dick Waterfield concerning the Courthouse Plaza and said Waterfield agreed to a deadline of 60-90 days to settle any issues he still had. At that point the Commission should be able to move forward with the project. He also mentioned that he was working on a \$2 million dollar bond and that the foundations were still agreeing to pitch in approximately \$1 - \$1.5 million for demolition and construction of the park. He also said he thought an endowment for the park would be necessary.

The potential golf course project was discussed. Mr. Fletcher talked about the golf course being planned around the river and being tied into Headwaters Park. Mr. Fletcher stated it currently was planned as a municipal 9-hole quasi "executive" course but that expansion to a full 18-hole course was possible. The expansion would require the site that OmniSource currently occupied as well as property as far north as the YWCA. Further discussion ensued as to OmniSource's plans to relocate and the railroad that currently runs through its property and down through the proposed golf course site.

Mr. Fletcher mentioned briefly on the Columbia/Calhoun Street sidewalk project which called for selective brick paver replacement, lighting, etc.

He also referred the Commissioners to Ivan Lebamoff's letter, a copy of which the Commissioners had received in their agenda packets which concerned general comments about conditions in downtown such as first floor vacancies, the EID "tax," lack of parking, etc. Mr. Fletcher commented on the EID tax as only amounting to \$80 or less (annually) for most businesses in the district. He also said that parking issues were a large reason why buildings remain vacant or underutilized. He recommended that the Commission study/address surface parking especially in the near future.

Mr. Lindsay presented the Commission with Central Business District building vacancy figures, basically stating that there was still considerable vacancy in downtown. He discussed several buildings individually and commented that the most serious area of vacancy was Columbia Street (The Landing). He stated that in his opinion, many downtown buildings were not marketed very aggressively and

that often it is the owners that are the source. Mr. Simler asked that the Commission find out why the owners are being so passive, i.e., is there a reason the owners are letting the buildings languish.

There was discussion concerning parking and the need to market downtown. The demise of the Thirsty Camel was cited as an example. Mr. Fletcher commented that people generally want doorfront parking and don't want to pay for it. When the parking lot at Harrison and Washington became "gated," it impacted Thirsty Camel's business greatly. People couldn't stop in anymore, have a few drinks, and leave--without paying for the parking that was close. He added that people are reluctant to walk a very great distance just to patronize a business regardless of where its located, suburbs or downtown, unless there is a lot of other activity going on in the same area that interests them.

Mr. Wasson stated that this is why downtown needs a marketing strategy so that events can be planned to bring people downtown, so they will have that "other activity" which will override the negative of paying for parking, etc. Mr. Lindsay commented that the new EID executive director will be working on marketing.

Mr. Fletcher elaborated that he had asked several downtown stakeholders several years ago to form a group that would discuss downtown issues. The group did form and has been meeting for the last three years or so. He said that what came out of these meetings then was the recent formation of the downtown Economic Improvement District (EID) which serves as a type of advocacy group for downtown. One portion of the EID's budget is set aside for marketing.

Mr. Fletcher added he was somewhat frustrated that millions of dollars have been spent in downtown but the retail industry doesn't support it. However, Mr. Hill stated that retail cannot survive on lunch crowd only, there has to be activity after five o'clock. There has to be something to do which is why he supported the expansion of the Grand Wayne if indeed that meant bringing more people downtown. Mr. Hill said there are a few good downtown destinations but there needs to be more. Mr. Wasson said retail was not even the whole answer, that perhaps there needs to be a new approach or new ideas thought of for downtown.

There was further discussion of the feasibility of retail in downtown and the types that may be successful.

In response to Mr. Fletcher's question, Mr. O'Connell said the first thing to do is generate people (at the downtown location) consisting of both out-of-towners and local residents. He offered several suggestions such as entertainment and sports, saying both are being actively pursued by other communities currently. He cited downtown Seattle's new entertainment mall. He added that it wasn't that Seattle didn't want retail downtown, but rather that Seattle found that entertainment is what drew people in. He said Southtown was another example-- that retail alone just won't work. He said the mix was there, the location, etc., but that there was no activity and therefore the mall was not successful. Mr. Wasson added that the same issue faces Headwaters Park. Without planned activity over and above the festivals, the Park will not be successful.

Mr. Wasson also brought up a key point in that there is no voting constituency in, or for, the downtown area. Therefore, governmental officials, especially elected ones, have to convince the majority of voters (who live and may work outside downtown) that downtown's health is indeed important to each of them. Government has to remind them that public money spent in the downtown is a wise investment that benefits everyone, not just those businesses or residents that are located downtown.

Other issues brought up were the fact that free parking in the downtown garages after five or six o'clock at night is not well known because it is not well publicized. Additionally, the perception of crime was discussed since statistics back up the fact

that incidents of crime in the downtown are very low in number. Appearance and maintenance of the physical attributes of downtown were discussed in reference to creating an environment people liked and felt safe in.

Mr. Cain talked about downtown also being able to serve as a neighborhood. Currently too many downtowns are isolated. However, he gave examples of several cities that have reinvested in downtown by creating housing, particularly modern high-end housing, which have created thriving neighborhoods, including businesses. He stated that in Ft. Wayne, many residents living in the West Central neighborhood consider downtown part of it and patronize downtown businesses. However, he thought there was ample opportunity to improve downtown's reality as a viable neighborhood and pointed to the vast untapped potential of the East Central area. He stated that the HOPE VI project (within East Central) would hopefully be the catalyst for creating a viable downtown neighborhood.

However, he cautioned that downtown should strive to attract a larger percentage of people who have disposable income than those that don't. Mixed income residential living is a must in order to affect a positive economic benefit to the downtown area. People spend money in their neighborhoods, but they must have sufficient money, over and above what pays for bare necessities, to spend in the establishments that support and serve that neighborhood. Otherwise, those businesses cannot survive.

There was further discussion of downtown housing such as Midtowne's residential success (5 units unsold out of 104). Mr. Stafford asked if anyone has expressed further interest in a residential project downtown after Midtowne. Mr. Fletcher cited Ron Bonar had explored the possibilities with his building on Harrison (condo/loft style) but a partner in the venture from Indianapolis ran into some problems and withdrew its participation. He mentioned that the negative spin-off from the various problems with the Midtowne project such as terminating the developer, facade problems, etc., probably affected the perception of downtown housing.

Mr. Cain commented that another problem is that the empty storefronts at Midtowne give people the perception that Midtowne is half empty, including the apartments. He said there are some beautifully done units in the project that most people don't know exist. Mr. Fletcher asked if all the Commissioners had been in the Midtowne apartments and most indicated they had not since the units were built out. Mr. Fletcher recommended everyone see the apartments before they were sold at auction because they were indeed very nice.

Presentation - Gregg LaMar, Community & Economic Development

Mr. LaMar spoke about the Urban Development Initiative Strategy, or "UDIS," that the City's Planning Department was spearheading. This initiative was announced at the Mayor's State of the City Address as a major goal for 1997. Consequently, the Mayor is very much behind urban revitalization, including downtown, and the City was developing a range of programs to encourage "core" redevelopment.

Several of the programs Mr. LaMar discussed had been touched upon already such as the renovation of Oaklawn Apartments, Hope VI, and the Broadway/S. Calhoun corridors, among others. He mentioned the renovation of the 194-unit McMillen Apartments. He also talked about partnering with churches in the community on neighborhood redevelopment projects, stating the churches are heavily involved with the fabric of many neighborhoods. He cited the St. Paul Lutheran church project was the first project to come on line and he anticipated many more in the future.

He stated the City is involved with many neighborhood programs to help improve the visual image within the urban core. The City pays the neighborhoods to pick up tires, paint fire hydrants, cut grass, etc., in order to avoid the "broken window" effect and the undesirable problems that often evolve from it.

Mr. LaMar discussed several housing programs that the City is involved in. He said the banks have recently experienced favorable changes in the requirements for Community Reinvestment Act criteria, so the City will be working closely with the lending community to coordinate the City's three-year community-wide housing strategy (for the Block Grant program) with what the lenders will be able to do.

He spoke about the Housing Summit that the Mayor hosted last fall where representatives from the housing community such as the non-profits (Project Renew and FWNHP), realtors, bankers, government officials came together to discuss how to increase home ownership in Ft. Wayne, specifically in the central city. Mr. LaMar stated a Housing Fair will be held in this coming September and next April. He said the City is also considering designing courses for high school and perhaps college kids that will teach homeownership skills.

Mr. LaMar mentioned that the Redevelopment Commission will probably participate more in the future on housing projects like it has in the past, i.e., the Hanna Creighton project, "by virtue of what has to happen" in order for urban redevelopment to go forward and be successful. He said what the Commission's role would actually be was still to be defined, but that it will definitely be a critical component to the success of housing projects over the next few years.

Mr. Fletcher commented briefly that the Commission could have a role in the Hope VI project regarding real estate acquisition, demolition, and possibly condemnation but only if the project can be financed. He said TIF increment could not be utilized for the 240 units of housing since the State has disallowed its use for residential uses. This would then require the Commission to put other monies into the project such as issuing a General Obligation bond, levying a tax to (up to \$.10) to build up the capital fund, or state/federal grants. The other option might be to amend the Civic Center Urban Renewal Area to include the East Central boundaries and use that TIF revenue. However, he indicated the Commission was pretty "tight" currently as far as capacity for TIF bonding since there would be a \$2 million dollar bond for the Courthouse Plaza. But he thought in the future, as tax abatements were winding down, that money could be available.

Mr. Wasson cautioned the Commission to remember to look at the big picture and not let financing scare it away from taking on projects. He said there had to be tools "out there" that haven't been discovered or thought up yet, just like TIF financing hadn't been thought of 25 years ago. He said when the Commission first started its work, the only tool available was a GO bond. Yet tools have evolved over time and a lot has been accomplished in downtown through the Commission's efforts.

There was some discussion of TIF issues in general, how it has been received around the state, its limitations, its benefits. Mr. Fletcher thought the sunset on the TIF legislation was in 1998 or 1999. Mr. Stafford said that the Legislature is supposed to be studying TIF and he thought TIF's future would also be tied to whatever the State decides to do about the property tax structure. He elaborated that there is a lot of pressure to reduce the reliance on property tax as a funding mechanism and replace those taxes with additional local income / sales tax. That obviously would have an impact on TIF's usefulness as a financing source.

Mr. Fletcher agreed that in five years TIF may be very different or may not exist at all. However, he did think some other financing tool would replace TIF if indeed it was phased out. He stated that the financing tools used at any particular time usually reflect the political climate. In the late 70's and early '80's the GO bond was used more because local politicians were strong supporters of development—

any development. The GO bond was the tool of the time. As years progressed and Ft. Wayne gradually overcame its recession, politicians had become much more conservative about increasing taxes and therefore GO bonds fell from favor. However, industrial development continued to be a necessity in the City's economic recovery, yet few financing tools existed to help fund public improvements needed to assist that development. Tax increment financing was "created" and became the new tool.

General Discussion

Mr. Stafford spoke briefly on where the Commission "fit" with respect to City financing. He said Indiana has a property tax control program that controls the amount of levy for everything except debt. He remarked that Ft. Wayne has been very conservative in using its levy capacity. The City was currently using only 80% of its capacity and is presently \$12.5 million dollars below its controlled level. So there is money "out there" to be tapped but he cautioned the Commission that in order for those funds to flow, City Council must be willing to raise taxes and Council has been reluctant to consider such measures.

Mr. Stafford did say that the project discussed last Monday (which project? GS Phase II?) would be accomplished through a combination of funding sources and that Council would "go along" with whatever it took to get funding in place. But he stated further that when it came to downtown acquisition, or East Central acquisitions, or even the Grand Wayne expansion, "push would come to shove." Even if the Commission were to use its own powers to impose levies (\$.10/\$100 maximum), which could mean a four- to five-cent tax hike over several years, those increases would probably not get approved by City Council unless a lot of ground work was laid early on and not only by the Commission but by other constituency groups as well.

Mr. Cain stated that Council has been very supportive of the recent S. Calhoun and Broadway corridor projects. He said if downtown projects were presented to Council in a way that tied the benefits of a healthy downtown to the surrounding neighborhoods, Councilmembers may be more agreeable regarding funding options.

Mr. Wasson commented that the Grand Wayne Center expansion project has been well received by various people he has spoken to but liking the idea and supporting it financially are two different animals. He did not think the expansion itself will be strong enough to stand alone and gain support it. The project needs to be linked in a larger way with additional downtown resources and he mentioned the library's desire to build a genealogy center. He said this would allow several needs to be met through one larger project which may draw the interest and commitment to financially back the project with an additional levy.

Mr. Hill agreed and also said there will have to be more marketing of the downtown in order to support a project like the Grand Wayne expansion. But he raised the question of how is that done (the marketing) and who should do it. Mr. Wasson said that the new EID group may become a player in that task. Mr. Fletcher stated that the EID budget now included marketing.

Mr. Simler questioned whether the EID people have the desire, time, or money to do marketing. Mr. Hill was concerned that the part-time director, an attorney, may not have the expertise of someone like Mr. O'Connell to create and execute a marketing plan. Mr. O'Connell commented that actually he has already met with Kathryn Roudebush, the new executive director for the EID, and that the Bureau will be assisting her in whatever way it can, especially in the area of downtown's "cosmetics" and activities. He added that the Bureau is heavily invested in downtown since that is where the festivals, museums, and most conventions are located.

Mr. Stafford commented that the EID's promotional efforts could balance the hard costs that the City or Commission contributes, or has contributed already, for infrastructure improvements, site assembly, etc.

Mr. O'Connell pointed out though that before a downtown marketing plan can be formulated, the Commission or whomever must identify *who it wanted to attract downtown in the first place*. Conventioneers? Commercial investors? Residents? A combination? The marketing plan will be driven by whatever the answer is to that question.

Discussion then turned briefly to "visioning" or the "image" for downtown. Mr. Fletcher referred the Commissioners to a handout in their packets which gave some examples of what the downtown can, and does, personify to the community such as an entertainment or cultural center, i.e., the place to go for the performing arts, etc. Downtown could portray an image as the "convention" area or be known for its distinctive urban residences and living amenities. Or should downtown cater to children and their parents, and be marketed as a family destination in itself? Mr. Fletcher stated that downtown identity needed to be thought about because he was sure that Bob McNulty and Partners (for Livable Communities) would be discussing it with the Commissioners when he got together with them.

Mr. Wasson stated that local residents are the ones who will sustain downtown, at least initially. Therefore, it is the local residents that need to be persuaded to change their thinking about what downtown is and isn't and just what it can offer them. If locals want to come downtown to enjoy it, that activity and vitality will in turn attract more. Mr. Wasson also said getting the local residents to buy in includes getting the approximately 18,000 people who work downtown out of their office buildings at lunch and after work by creating and actively marketing downtown activities.

Mr. Boyer added that the downtown activities have a greater purpose in that if the Commission wants to consider using a GO bond, not only did it have to convince City Council, it had to convince the public that downtown was worth it. The more people that appreciated downtown and experienced pleasurable activities there, the better the public reception will be for a GO bond to support it.

Mr. Hill commented that the people who spoke at the public hearing on the Courthouse Plaza last year were a relatively influential group. He said the downtown needed those individuals/groups and others like them to take up its cause, to "make noises" about downtown, to support its reinvigoration and use. Mr. Wasson said that in the seven years between the time the Grand Wayne was first conceived and construction finally began, the community was constantly updated and informed and influenced because every civic group was spoken to about the project as often as possible. He emphasized it was a continuous, longterm effort to sell the Grand Wayne to the community and not something that was accomplished overnight. He emphasized a promotion, advocacy, marketing approach in order to sell the downtown.

Mr. O'Connell agreed with the need for the local marketing effort. He said his organization markets Ft. Wayne but to those markets outside the immediate area. He said there is a definite need for someone or some entity to market the downtown to local residents and businesses and get them excited about using it again. He said local resident lack of awareness is exacerbated by lack of positive press for downtown events by the media and furthermore the fact that many people do not read the newspaper anymore.

There was no final consensus among the Commissioners as to what the image should be or *who* it was specifically that should be attracted to downtown. Nor was it determined what role the Commission should play in marketing. There was discussion that the perhaps the EID should do the marketing and the Commission could then respond to the needs of that marketing with funding of certain projects.

The Commission did agree that people needed some reason to *stay* downtown once they get here, so they don't drop in for one specific purpose and leave once that purpose is satisfied.

Mr. Fletcher then asked for at least five projects that the Commissioners thought the Redevelopment Commission should get involved with in the future such as the golf course.

Mr. Simler said the Commission should be involved in any projects that buffer the downtown from areas that people fear. He thought the golf course did that and he thought a project on the east side of downtown would be good.

Mr. Kravig suggested a downtown produce and crafts marketplace in Headwaters Park that would accomplish two goals: bring people downtown and provide an activity at the Park besides festivals. He envisioned it occurring spring through fall on Saturday mornings with high quality vendors and merchandise. He acknowledged that this might supplant the Barr Street Market and the South Side Market. The Commissioners asked who might put something like this together. Mr. Kravig said it would be some type of promoter. He also recommended this person or organization be the sole entity to handle the Park and its activities.

Mr. Kravig also recommended something that has come about through the International Downtown Association affiliation and that is developing a not-for-profit organizational structure for downtown which he said has been tried successfully in other communities. The entity has an organizational chart like any private sector corporation. It has one overseeing board with several departments under it, the EID being one of those departments. Under this scenario, the marketing department would focus full time just on marketing the downtown and not be responsible for a myriad of other functions. He thought that financing of these organizations came from several sources, such as membership dues, governmental funding, and grants.

There was further discussion concerning the EID group as compared to the old Downtown Merchants Association, and the fact that the large property owners are meeting but no one is reaching out to the smaller downtown stakeholders.

In returning to further discussion of future projects, Mr. Powell said he favored a project that involved riverfront development. He thought the rivers were an asset that were largely ignored in Ft. Wayne but held a lot of potential for the downtown.

Mr. Hill and Mr. Powell endorsed the Hope VI project and any participation the Commission could offer. They both thought that the Clay Street corridor improvements were worthy investments (an idea from the last planning session in August 1995). The old Standard Federal Block project (Courthouse Plaza) was a unanimous choice. The Commissioners were also supportive of the entranceway improvements, at a minimum improve the landscaping.

Study the structure idea for downtown for further options was discussed, as well as a parking garage to support the Grand Wayne, the Harrison Street office/commercial businesses, and the library. There was a consensus that a study of parking and where new parking should be developed within the downtown core was suggested. Mr. Hill wanted the library board to be a participant in the discussion of parking issues.

Mr. Hill maintained that an area he would like to see addressed is Main Street west of the Community Center and all the way to St. Joe Hospital. He said that area still looked blighted. He suggested that this area (as well as the southwest area used for Lincoln Life's parking lots) could be redeveloped for new market rate housing, perhaps a complex.

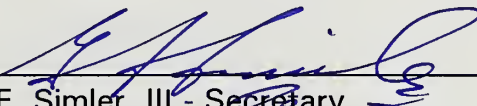
The area surrounding Coney Island was discussed and Mr. Fletcher said he talked with Fort Wayne National Bank as to putting in new sidewalks along that stretch of Main Street. But the bank was not interested in participating.

Mr. Hill suggested creating an area where the graffiti artists could explore their talents "in peace" in hopes of deterring them from practicing indiscriminately on private property. The pros and cons of graffiti as art were discussed.

Mr. Powell recommended, as he has before, to do at least two planning sessions a year in order to keep the Commissioners updated and involved with projects. He suggested each session be a half day.

The meeting adjourned at approximately 2:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III - Secretary

ADOPTED: September 15, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

August 18, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
John B. Powell - Member

MEMBERS ABSENT: George F. Simler, III - Secretary
R. Lawrence Drees - Member

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist
Karyn Heiney - Administrative Assistant

COUNSEL PRESENT: None

OTHERS PRESENT: Members of the news media
Representatives from bidding firms
Geoff Paddock - Headwaters Park Commission
Jack Curtis - Raynor Door

CALL TO ORDER: Mr. Hill called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that Commissioners Simler and Drees were absent. Mr. Fletcher also commented that Commission Counsel, Dave Boyer, could not be present at the meeting.

APPROVAL OF CLAIMS AND MINUTES

Mr. Hill called for a motion to approve the June 1997 Claims and July 7, 1997 Special Meeting Minutes simultaneously. Mr. Powell motioned for approval of said Claims and Minutes and Mr. McElhoe did second the motion. The motion passed unanimously.

OLD BUSINESS

None

NEW BUSINESS

Bid Opening - Former Armory Demolition

Two bids were received by the Commission for the demolition of the former Indiana Army National Guard Armory on Clinton Street. The following information was reported:

<u>Bidder</u>	<u>Martin Enterprises, Inc.</u>	<u>Richard Ness Excavating</u>
Base Bid #1	\$102,275	\$147,370
Base Bid #2	\$126,150	\$157,220
Alt #1	\$141,450*	\$ 47,647
Alt #2	\$ 6,250	\$ 16,620

Mr. Hill then stated that the Commission would take the bids under advisement pending further staff review and recommendation, and that no award of contract would be made that day.

*At a point later in the meeting, Mr. Kravig said it was brought to his attention that the \$141,450 thousand figure given by Martin for Alternate #1 probably reflected an all inclusive figure instead of simply the cost, over and above Bid #2, to remove and dispose of basement walls and floor. Mr. Kravig extrapolated Martin's bid for Alternate #1, therefore, to be approximately \$15,000. He reminded everyone present that the language in the bid does allow the Commission to waive any defects in the bid. Consequently he asked that the Commission consider Martin's bid with this information in mind.

Update from Headwaters Park Commission - Geoff Paddock, Executive Director

Mr. Paddock stated his Commission met last Thursday and reviewed several options for the completion of the final phase of the Park. Mr. Paddock distributed design concepts for only two of the options, "Option 2A" and "Step C." Both concepts are based on demolition of the existing old Armory. Option "2A" is already completely funded, but Option "Step C" will require raising approximately \$500,000 more over the present level of giving commitment.

Option 2A consists of utilizing the site as a festival terrace similar to what was constructed on the east side of Clinton Street with the grassy field, wave bands, and intersecting sidewalks. Step C, which is preferred by the Headwaters Park Commission, responds to feedback received from this year's festivalgoers and participants regarding insufficient restroom availability and lack of shelter from weather (i.e., hot sun, wind, rain, etc.). Step C incorporates drinking fountains, restrooms, a paved patio area, and a pergola, or roofed structure.

Mr. Paddock stated that with either option, his Commission still anticipates completion of the Park by the end of 1998, and that either concept meets the needs of the festivals and the public. He also said he was confident sufficient additional funds could be raised for the Step C option, should it be chosen.

In response to questions, Mr. Paddock said:

-The Step C pergola structure would be permanent, but small. The permanent portion would house possibly 150 -200 people comfortably. With its additional temporary roofing capabilities, however, it could conceivably

shelter several thousand people because a temporary roof could be extended the entire length of the pavilion, if necessary, from the permanent structure.

-The Three Rivers Festival "can live with or without the Armory" and is comfortable with the exhibition space provided by either option 2A or Step C.

-Cost for Option 2A is approximately \$300,000 - 350,000 dollars (funding already committed) and the cost for Step C is approximately \$500,000 (would still need to raise these funds) Combined with the current construction already commencing on the west side, total cost on that side will be approximately \$1.8 million if Step C is chosen.

-The Headwaters Park Commission passed a resolution last week that approved the recommendation to demolish the Armory. Mr. Paddock stated his Commission has exhausted all avenues it is aware of in order to try and incorporate the Armory's reuse into Headwaters Park. To date, however, it has not had much luck. If the City and the Redevelopment Commission concur, his Commission advocates demolition of the building. He said he would provide a letter to that effect to this Commission.

There was further discussion of the Armory demolition, including the storage of Jaycees Haunted House materials that have to be moved. Mr. Hill asked if there would be a problems with today's bid quotes due to the ongoing construction near the Armory. Mr. Fletcher said Martin Enterprises (the apparent low bidder) had assured him, as well as the Headwaters Park people, two months ago at an onsite meeting that there would not be a problem from the construction. Estimated time of demolition award is late September or early October 1997.

Resolution 97-38

Ratifying and awarding a contract to Clean Air Systems, Inc.

Mr. Kravig explained that state law requires all friable asbestos to be removed from the former Armory before demolition can occur. There were three bidders, by invitation, for this project:

Clean Air Systems, Inc.	\$13,800
Environmental Management Specialists	\$15,630
Air Management Techniques, Inc.	\$21,260

Mr. Kravig stated all bids were good and that Clean Air was the lowest, best, and most timely.

Mr. McElhoe motioned for approval of said resolution and Mr. Powell did second the motion. It carried unanimously.

Resolution 97-39

Approving the purchase of a replacement garage door for the Midtowne Crossing Parking Garage

Mr. Lindsay gave a brief synopsis of the history of the Wayne Street parking garage door to the Midtowne Crossing garage. He said it was installed in 1990 and has had monthly repairs since then, with most malfunctions occurring after hours. Cost

of maintenance and repair over the last three years has been \$7,900 with an additional expense of \$1,433 incurred for extra security service during door "downtime" after hours. Commission staff has studied several options for the repair/rebuilding, or replacement of the door. It recommends replacement with a new line of door from Raynor Doors of Allen County called the Featherlite Rolling Steel Door. Mr. Lindsay said the door is unique to the overhead door industry and will reduce Commission liability and will maximize the reliability of the door in insuring the safety of the residents.

Mr. Powell asked why the Commission was responsible for paying for repairs/maintenance. Mr. Fletcher stated that the Commission owns the parking garage and has always paid to maintain it. He added that one could construe the garage door as "common area" and thus part of what the Midtowne Crossing Owners Association should maintain. However, the Commission has never interpreted it that way. Mr. Lindsay added that not all residents or unit tenant/owners even have access to the garage. There is no access for any person that does not rent a parking space (said rent being paid to the Commission). Therefore, it is not truly common area that is shared by all tenants.

Mr. Lindsay then introduced Jack Curtis, local representative of Raynor Doors, to talk about the company's products and recommendations for the problematic Midtowne Garage door.

Mr. Curtis gave a brief background on the company's history (largest industrial door manufacturer in the world) and then on the problems associated with the Wayne Street door. Reliability of the door is important since it is **the only access to and from the garage** and therefore its performance is crucial to all parties. He said his company has been involved with the door in question for approximately two years and has done everything possible to fix the door, including rebuilding it several times.

However, Mr. Curtis said the door incurs an extremely high level of use, *averaging 250 cycles (up/down) per day*. High usage as defined by industry standards is anything cycling 50-100 times per day. He said that Raynor has engineered and manufactured a new product which is a steel "rolling door" but has very few moving parts. It is designed specifically for high and extremely high use facilities. Mr. Curtis said that the Featherlite also uses a patented counterbalance system to control door movement by using weighted cams, not springs. This feature makes it much easier and more efficient to operate than a typical conventional door which uses springs as a component.

Most importantly, Mr. Curtis said the Featherlite door offers the Commission reduced liability exposure because although the system uses cables, they are aircraft cables made of stainless steel and are five times stronger than the standard. Moreover, both cables must break before the Featherlite door will be disabled whereas only one cable must break on the current system before 1000 pounds of door "free falls" to the ground and onto anything or anyone that may be in its path.

Mr. Hill asked if this door has been installed anywhere else and Mr. Curtis said no, it's too new, and there are few facilities in the Ft. Wayne area that have the need for this type of door. Mr. Hill's concern was that it is untested and that there is not enough experience with the product yet. Even Mr. Curtis was unsure which part would wear out first and at what point.

Mr. Fletcher asked what the maintenance costs will be over three years. Mr. Curtis said perhaps a couple hundred dollars. He reminded the Commissioners that the system is fully covered for 100,000 cycles.

Mr. Hill asked for some additional data to make sure this door/system is the right one for Midtowne before fully committing to the purchase. Mr. Powell agreed and motioned that the Commission give Mr. Fletcher the authority to enter into contract with Raynor (for purchase of the Featherlite Rolling Steel Door system) but subject to staff first checking on and receiving satisfactory reports from others currently using this specific door and system.

Mr. McElhoe did second Mr. Powell's motion as it amends Resolution 97-39. Said Resolution, amended subject to door/system reference checks, passed unanimously.

In an additional note, Mr. Powell also asked that there be some dialogue initiated with the Midtowne Crossing Owners Association concerning its responsibilities for said door in the future.

Resolution 97-40

Approving payment to American Electric Power Company

Resolution 97-41

Ratifying and approving a contract with Votaw & Sons Electric, Inc.

Resolution 97-42

Ratifying and approving a relocation agreement and release (Right-of-Entry) with Hall Drive-Ins, Inc.

These three resolutions are all related to Headwaters Park Barr/Calhoun Street pedestrian improvement project. Mr. Kravig explained that Resolution 97-40 concerned relocating underground all the overhead utility electric lines along Barr and Calhoun, where feasible, as well as the removal of the utility poles. This would improve the aesthetics of the pedestrian corridor. He stated he was pleased with American Electric Power's (AEP) quote of \$19,000+ to do the work because in previous meetings with AEP the figures tossed around were a lot higher. Mr. Fletcher added that AEP has said that the Commission is getting "credit" for any cost savings due to the modernization, salvage, and efficiencies realized from the utility relocation.

Resolution 97-41 addresses the abandonment of three leased AEP lights and the rewiring of several private lights that serve to illuminate the parking lot of Bud Hall's Gas House restaurant. The relocation by AEP of its lines underground, as discussed under Resolution 97-40, will eliminate the three leased lights and cut off power to the private lights. Mr. Kravig said this resolution serves to award a contract to rewire and relamp the Gas House parking lot. This will require the new power setup to be run directly from the Gas House meter and not the AEP lines running down Barr Street. Total cost to perform this work is \$11,606.

Mr. Kravig added that Resolution 97-42 approves the agreement with Bud Hall allowing access to the property so work can be done, protecting the Commission from third-party liability, and terminating Bud Hall's lease with AEP for the rented lights.

Mr. McElhoe motioned for approval of all three Resolutions, 97-40, 41, and 42. Mr. Powell did second the motion. All three passed unanimously.

Resolution 97-43

Awarding contracts to Ronald E. Gettel and Misner & Associates, Inc.

Mr. Fletcher explained this resolution awarded a contract for the appraisal services needed to make a public offering on the 23 acres of land the Commission owns on the south side of town. The following bids were received:

<u>Bidder</u>	<u>Quote</u>
Ron Gettel	\$500
Misner & Associates	\$500
John Thistlethwaite	\$2,500
Zacher Company	\$1,200
Wayne Kruse Real Estate, Inc.	\$1,000

Mr. Fletcher stated both Mr. Gettel and Mr. Misner are also MAI qualified as well as the apparent low bidders and that he would recommend award of contract to same.

Mr. Powell motioned for approval of said resolution and Mr. McElhoe did second the motion. The Resolution was approved unanimously.

Resolution 97-44

Ratifying and approving a contract with Siebold-Price Tree & Landscaping

Mr. Fletcher explained that this resolution approved a contract for the mowing of the 23 acres. He said the Commission has been getting some complaints about the tall grass. Of four solicited bids, only two responded with G&T Services quoting \$900 and Siebold-Price quoting \$750. Mr. Fletcher recommended award of contract to Siebold-Price as lowest and best bidder.

Mr. Powell moved for approval of Resolution 97-44 awarding the contract to Siebold-Price and Mr. McElhoe did second the motion. It carried unanimously.

Resolution 97-45

Approving Change Order #1 to the Brooks Construction Company, Inc. contract

At the last meeting, the Commission opened bids for the Barr/Calhoun Street pedestrian corridor improvement project. Brooks submitted the low bid which was still too high to accept. During the remainder of the meeting Brooks met with the project engineers and reduced the scope of work by \$109,736.93 to an acceptable net contract amount of \$389,970.41. The Commissioners agreed to award the contract to Brooks based on that reduced amount. Resolution 97-45 formally reduces the contract amount to \$389,970.41.

Mr. McElhoe motioned for approval of said Resolution and Mr. Powell did second the motion. It passed unanimously.

Resolution 97-46

Approving Change Order #1 to the Key Concrete, Inc., contract

Mr. Fletcher said the contractor ultimately used less material than anticipated on the Harrison Street sidewalk project. Since the project contained unit prices in the bid, the contractor reduced his contract accordingly, crediting the Commission with \$316.40. This credit brings the total contractors price to \$91,128.60.

Mr. McElhoe motioned for approval of said Resolution and Mr. Powell did second the motion. It passed unanimously.

Resolution 97-47

Ratifying and approving a contract with Pfister Irrigation

A very minor repair was needed on the irrigation system at the new City parking lot that the Commission had constructed last year. Total cost of the repair was \$41.68. Mr. Powell motioned for approval of said resolution and Mr. McElhoe did second. It passed unanimously.

OTHER BUSINESS

-Mr. Fletcher said that Robert McNulty with Partners for Livable Communities was going to be in town Friday, September 26th for the Calhoun Corridor project. Mr. McNulty asked if the Commission could meet with him on that day. All Commissioners present said their schedules were open for an afternoon session. No time was determined, nor how long the meeting should run. Mr. Fletcher said he would contact Mr. McNulty and get back with everyone as to confirmation of the meeting time.

-In an update of the Midtowne Crossing auction, Mr. Lindsay stated that the auction was tentatively set for Sunday evening, September 28th at the downtown Holiday Inn. It was noted that Mr. Fletcher will be attending in order to approve any bids on Commission-owned units as pursuant to authority previously granted to him by the Commission via Resolution 91-51 (adopted in 1991).

Mr. Hill asked if Commission action was needed to approve that authority and if so, would staff prepare a resolution accordingly for the next meeting. Mr. Fletcher requested that, just in case the September meeting was canceled, a motion be made for the record that gave him the authority to accept/reject bids at the auction on behalf of the Commission. Mr. Powell so moved and Mr. McElhoe did second the motion. It passed unanimously.

-The next regular Commission meeting is scheduled for September 15th.

-Mr. Fletcher referred the Commissioners to a letter in the agenda package from F.C. Tucker, the company that manages the Lincoln Tower. Tucker is requesting financial participation from the Commission for relocating Tucker's lighting system (currently unused) that illuminates the Lincoln Tower at night. The lights in question are the ones located on the old Standard Federal Building which the Commission will be demolishing eventually due to the Courthouse Plaza project. Mr. Fletcher said he wanted the Commissioners to be aware of the issue but said no action will be taken on it at least until the Commission owns the property.

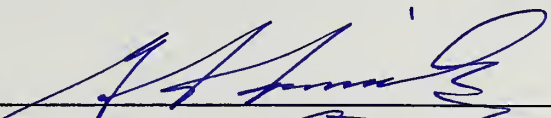
-Mr. McElhoe asked for an update on Waterfield and the Courthouse Plaza. Mr. Fletcher stated he had a meeting with the Mayor and another individual last week regarding the subject. The other individual is supposed to be meeting with a "potential funder" for Waterfield so that Waterfield can get his \$2.4 plus or minus million dollars out of the property. Mr. Fletcher stated he would be getting in touch with Mr. Waterfield the following day on status. He also mentioned he would be starting the bond process soon for the Courthouse Plaza project.

-Mr. Powell had one other issue before adjourning which was the invitation he received as the "president" of the Commission to participate in a forum on economic development on September 11th at Sycamore Hills from 8a.m. to 5p.m., lunch served. In light of the language of the invitation (send no proxy or staff) and the titles of those invited (mostly presidents of organizations), he felt it proper that Mr. Hill attend, if possible, since he was the actual Commission president. There was further discussion as to what the forum may entail and whether the Commission should participate. Mr. Fletcher stated it would be good to know what discussed. Mr. Hill asked Mr. Powell to give him a call if Mr. Powell decided he would not be able to go.

-Mr. Hill then announced the presentation of an award to Mr. Fletcher from the Committee for Employer Support of the Guard and Reserve on behalf of the men and women of the National Guard. Mr. Hill presented Mr. Fletcher with the Certificate of Appreciation and a letter from the Indiana Department of the Military. Mr. Kravig, who had nominated Mr. Fletcher, spoke briefly about the continued support he has received of his Guard career from Mr. Fletcher. He stated that in the seven and one half years with Redevelopment, he has served 25 weeks of Guard duty--a substantial amount of time away from work. Mr. Kravig stated many employers are not so supportive and expressed his thanks and appreciation to Mr. Fletcher.

With no further business to discuss, Mr. Powell motioned to adjourn the meeting and Mr. McElhoe did second the motion. The meeting was adjourned at approximately 6:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED:  September 15, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

September 15, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
John B. Powell - Member
George F. Simler, III - Secretary

MEMBERS ABSENT: R. Lawrence Drees - Member

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Geoff Paddock - Headwaters Park Commission
Bill Decker

CALL TO ORDER: Mr. Hill called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that Commissioner Drees was absent. Mr. Fletcher stated that Mr. Drees had given his resignation notice several months ago with an effective date of September 30, 1997. He further stated that Council would be appointing a replacement within the next few weeks.

APPROVAL OF CLAIMS AND MINUTES

Mr. Hill called for a motion to approve the July 1997 Claims as well as the July 10, 1997 and August 18, 1997 Minutes simultaneously. Mr. Powell motioned for approval of said Claims and Minutes and Mr. McElhoe did second the motion. The motion passed unanimously.

OLD BUSINESS

None

NEW BUSINESS

Resolution 97-48

Allowing the designation of property as an Economic Revitalization Area for Wayne Fasteners, Inc., in the Centennial Industrial Park Urban Renewal Area

Mr. Tom Mason, Vice President of Wayne Fasteners Inc. spoke on behalf on his firm's application for Economic Revitalization Area designation. He said his company is currently located at 2735 Independence Drive in Centennial Park and has outgrown its 15,000 sq.ft. facility. It plans to build a new 47,000 sq.ft. warehouse/office facility on the adjacent lot and is applying for real property tax abatement only.

It was asked if there would be any traffic impact due to the expanded facilities and Mr. Mason said there would be some increase in his truck traffic. He could not give an estimate of how much of an increase but said his current truck traffic averaged anywhere from a minimum of 1-2 semis to a maximum of 4-6 semis per day in and out of his facility. He cited the company's major clients as including GE, Tokeim, City of Fort Wayne, GTE and Magnavox. Mr. Mason said the projected sales for Ft. Wayne Fasteners in 1997 were approximately \$5.0 million.

Mr. Mason also stated the company plans to sell the current facility once it has been vacated.

Mr. Fletcher told the Commissioners that there was no TIF bond outstanding in Centennial Park and therefore abatement of real estate taxes would not have any effect on a bond repayment since no bonds were outstanding against the Park. He did mention that the City will be doing some curb/road improvements within the Park soon and that it has asked Redevelopment to contribute financially to the project, which it has tentatively agreed to do. Funding for the Commission's participation has already been put in place because of tax increment revenues collected in previous years. Mr. Fletcher asked Mr. Mason, who had identified himself as a Centennial Industrial Park Association boardmember, if the Association planned on participating (financially) as well. Mr. Mason responded that the board had decided that the project had merit and therefore would be participating providing the Association membership approved.

Mr. Fletcher stated staff did recommend a 10-year abatement of real property taxes for Wayne Fasteners and Mr. Simler motioned for approval of Resolution 97-48. Mr. Powell did second the motion and it passed unanimously.

Resolution 97-49

Awarding the former Armory demolition contract

Mr. Fletcher referred the Commissioners to the two contractor bid sheets that were attached to the resolution. He stated that staff recommended accepting Martin's Principal Bid #2 in the amount of \$126,150, and Alternative #2 in the amount of \$6,250 as the lowest and best bid. Mr. Kravig explained that the only difference between Principal bids #1 and #2 was that #2 requires all demolition debris to be removed from the site. Mr. Kravig said Alternate #2 quoted the cost to remove ballistic sand from the basement of the armory which had formerly been used in the old rifle range.

Mr. Kravig further explained that normally nonorganic, compactible debris is left onsite and used as basement fill. However, due to possible future construction on the armory site, this was not a desirable course of action. By coincidence, Martin Enterprises (Mr. Kravig did not know about Ness's quote) wanted to recycle the brick and concrete debris from the site anyway and this is why Martin's Principal Bid #2 was surprisingly low compared to its Principal Bid #1 which *does not* include

debris removal. Consequently, the needs of both Martin and the Commission will be satisfied, and in particular, at an "incredibly reasonable" cost to the Commission.

In response to Mr. Hill's question, Mr. Kravig said that backfill and compaction in place was included in the principal bid quote.

Mr. Simler motioned to accept Principal Bid #2 and Alternate #2 and award the contract for demolition to Martin Enterprises. Mr. Powell did second the motion and Resolution 97-49 was approved unanimously.

Resolution 97-50

Approving a relocation agreement and release with Asbestos Insulating and Roofing Company Inc. (AIRCO)

Mr. Fletcher said that the Commission has been working on acquiring property as part of the Wells Street Bridge project. This resolution formalizes the relocation agreement between AIRCO and the Commission regarding the taking of 15 feet of one of AIRCO's buildings (requires the "relocation" and reconstruction of one wall) and the relocation of an existing loading dock. The company has already signed the offer to purchase which had been extended by the Commission, but the relocation agreement is necessary to protect against future liability.

Mr. Powell motioned for approval of said resolution and Mr. McElhoe did second the motion. It passed unanimously.

Resolution 97-51

Approving the Commission's budget for 1998

Mr. Fletcher noted that the actual budget had not been attached to the resolution and therefore requested that the resolution be tabled until the next meeting. This would give the Commissioners an opportunity to review the budget before approving. He commented that the budget has already been submitted to City Council for review and approval but that Council has not acted on it yet. The general budget amount submitted is \$260,651 and the capital budget amount is \$500,000. Mr. Fletcher also said that even with the 3% increase for salaries in '98, the projected budget only increased approximately .79% over the 1997 budget.

Mr. Hill directed that Resolution 97-51 be tabled until the next Commission meeting.

Resolution 97-52

Approving an expenditure for sidewalk reconstruction in the Civic Center Urban Renewal Area, as amended

It was explained that two businesses on Wayne Street (between Harrison and Calhoun) did not participate in the new sidewalk construction that occurred during the construction of the Midtowne Crossing project. This was due to the fact that both businesses had basements under the sidewalk and therefore had structural slabs instead of regular sidewalks in front of their businesses.

Mr. Fletcher said that Mr. Sam Curry, who owns the building at 125 West Wayne Street, is the owner of one of those two businesses (formerly a beautician school, now closed). Mr. Curry is currently looking to replace the sidewalk in front of his building and has asked the Commission to participate. Mr. Fletcher said staff has

obtained the costs of filling in the basement, compacting the fill, and constructing a regular sidewalk instead of a structural slab. The owner, Mr. Curry, has agreed to pay \$1,000 toward those costs. Additionally, the owner will contract separately for, and totally fund, the cost of building a new retaining wall in the basement adjacent to where the filled in area will be.

Mr. Fletcher stated that the resolution awards Louis Lee Lengacher the contract since he was the only bidder at \$4,300. However, Mr. Fletcher stated he had received a second bid just prior to the meeting which may be lower than the bid quoted by Lengacher. He therefore wanted to look at both quotes further before awarding the contract. However, he asked that the Commission still approve the resolution but amend it to reflect simply the approval to pay up to \$4,300 for the sidewalk reconstruction, subject to a \$1,000 reimbursement by the owner for said costs. Mr. Fletcher said the Commission would pay a total of \$3,300 total for this project.

Mr. Hill suggested that the resolution be amended by just striking "the bid by Louis Lee Lengacher for said" from the last paragraph on the first page; by striking "the bid by Louis Lee Lengacher in the amount of" from subparagraph 1 on the second page; and by striking "with Louis Lee Lengacher" from subparagraph 2 on the second page.

Mr. Powell motioned for approval of Resolution 97-52, as amended by Mr. Hill, and Mr. Simler did second the motion. The motion carried unanimously.

Resolution 97-53

Approving Change Orders #2 and #3 to the Brooks Construction Company, Inc., contract

Mr. Fletcher explained that at the awarding of the construction contract for the Barr/Calhoun Street pedestrian corridor improvements, the low bid had to be cut approximately \$100,000 in order to meet budget restrictions on the project. One of the items cut was the brick on Barr Street underneath the railroad elevation. However, after recalculating monies available from the Headwaters project, the brick can be added back into the Barr/Calhoun Street project. The brick element will add a cost of \$24,345 to the contract amount. Mr. Fletcher stated he and Mr. Kravig discussed this action with John Stafford who concurred that the Barr Street corridor to Headwaters Park was the more important corridor of the two and should be made as attractive as possible.

Mr. Kravig explained that Change Order #3 concerned the additional removal of one more tree from Freimann Square. The extra tree removal was cited in Addendum #1 to the bid documents, an addendum that, accordingly to Mr. Kravig, was very thick and addressed a number of other changes as well as the extra tree removal. In talking with the contractor, Mr. Kravig said it was evident that the addendum did not adequately delineate the tree removal, either in writing or graphically, and subsequently the contractor did not include it in its quote. Therefore, staff opinion was that the Commission could not ask the contractor to absorb the cost. The cost to remove the additional tree came to \$450.

Mr. Simler asked if this amount approached the difference between Brooks and the other bidder for this job and Mr. Kravig said it did not, that the other bidder was approximately \$15,000 higher than Brooks. Mr. Powell asked if tree removal was bid as a unit price (per tree) and Mr. Kravig stated it was not, that demolition and removal for the entire project was quoted as a lump sum.

In response to other questions, Mr. Kravig stated that six trees were removed from Freimann Square and five more along Barr Street. Mr. Fletcher mentioned he had received notification that a group of people were concerned with the tree removal in Freimann Square but that it turned out to be only one person. He said staff had spoken with the Director of the Fine Arts Foundation, Bob Arnold at the Parks Department, and Park Board personnel before the project began and there were no problems expressed at that time with the removal of the trees.

Mr. Fletcher also mentioned that Bud Hall, owner of Hall's Gas House at the corner of Barr and Superior, was upset about the trees removed on the east side of Barr Street. Mr. Hall said his father or grandfather had planted those trees 30+ years ago. Commission staff was unaware of this information and, since the trees were in the public right-of-way, had not discussed their removal with Hall beforehand. Mr. Fletcher said it appears Mr. Hall is "OK" now with the trees being gone.

Mr. Powell motioned to approve Resolution 97-53 and Mr. Simler did second the motion. Said Resolution passed unanimously.

Resolution 97-54

Approving an expenditure for additional landscaping work, related drainage work, and plant replacement for the Plaza Parking Garage

Mr. Fletcher stated the new garage has had some drainage problems with the landscaped yews around the perimeter. Consequently, the landscaping subcontractor, Harlow, had to replace 75 dead yews already. Harlow also had to perform soil borings around the plants to try and alleviate the problem. Mr. Fletcher stated Hagerman did not think it should be responsible for paying for the extra work, since it appears to be drainage related, and also didn't think its sub (Harlow) should have to bear the cost either. Mr. Fletcher said he somewhat agreed and therefore worked out a deal where Hagerman/Harlow would pay \$5,000 of the cost, and the Commission/County would share equally in funding the remaining \$4,000 cost.

Unfortunately, there are another 20 dead yews onsite per Mr. Fletcher, but it is not clear why they died. However, their replacement will have to be addressed and Mr. Fletcher wanted to be sure the Commissioners were aware that the issue still exists. Mr. Simler suggested the problem may be due to the runoff of cement components located near the shrubbery and Mr. Lindsay stated that it couldn't hurt to ask that question of the appropriate people. Mr. Fletcher said it could even be salt from snow removal during the winter that may be getting thrown back up on the shrubs. Unfortunately, no one has been able to definitely determine the exact cause of the problem yet, or has been able to recommend effective action to prevent the problem.

Mr. Fletcher cited another example of unknown landscaping problems relating to a tree formerly in front of the \$28 million dollar Norwest Indiana Center on Wayne and Calhoun Streets. This particular tree has been replaced twice already and had to be cut down again. Again, Mr. Fletcher said no one can determine what the problem is or why its occurring. He cited another area affected by dead trees as the Grand Wayne Center. Two trees are dead in front of that facility. Further discussion ensued then among the Commissioners as to whether shrubbery was needed in those areas at all if the trees keep dying. They also discussed other ideas on replacement of the trees, such as potted shrubs/flowers, etc.

It was staff consensus that the Commission could not hold the contractor responsible for the dying shrubs at this point. In further discussion, it was determined that the soil borings may be helping and that no new plantings may be

needed after these last 20 are taken care of, due to the increased drainage apparently effected by the borings.

Mr. Fletcher said that Resolution 97-54, however, was approval for work already done and that the status of the other 20 dead yews would be considered at another time. Mr. Simler motioned for approval of said Resolution and Mr. McElhoe did second the motion. It passed by three yea's and one abstention. Mr. Powell abstained from voting due to his law firm's attorney/client association with Hagerman Construction Corp.

Project Updates

Jefferson Skywalk Elevator

Mr. Lindsay stated that the project was going nicely and that the tower that would house the elevator was currently under construction. He said the exterior brick will be a perfect match with the existing facility. The only negative is that delivery of the elevator itself has been delayed by the manufacturer and will not arrive until mid-October. Once received, the elevator installation will take approximately 10-14 days. Consequently, the Botanical Conservatory's expansion project and the skywalk elevator project will be completed at approximately the same time--about the end of October.

Mr. Fletcher reminded the Commissioners that funding for the project has already been put in place and that soon he will be requesting the reimbursement amounts that were pledged by the Grand Wayne Center and the Park Board (on behalf of the Conservatory).

Calhoun/Barr Pedestrian Corridors

Mr. Kravig said that the contractor poured concrete for the first time just that day so the project was back to moving along quickly. He said AEP took quite some time to do its utility relocation, therefore slowing the project down somewhat. The contractor's next step will be to work on the west side of Calhoun Street and the east side of Barr (currently working on Barr Street situated south of Superior, and Calhoun Street along the east side). Mr. Fletcher stated that work should be completed in front of the Assessor's office soon.

Calhoun/Columbia Street Improvements

Mr. Lindsay said the brick replacement and sidewalk/curb improvements will affect Calhoun Street from Washington to Wayne on its west side (in front of Midtowne Crossing), and from Wayne to Berry on its east side. Said improvements, along with streetlighting, will also be addressed the length of Columbia Street. Mr. Lindsay said the consultant has almost completed its surveys and data compilation and should be ready to present its recommendations to Commission staff and other City personnel within another week or so. A final plan, as well as the delineation of the phasing for the various work elements of the project, should be ready for presentation at the next Commission meeting.

Mr. Lindsay also stated that the Commission would be requesting (financial) assistance with the project from the Board of Works, the downtown EID group, and possibly affected property owners.

Courthouse Plaza

Mr. Fletcher said Mr. Waterfield has indicated agreement to an acquisition but that it would be December, according to Mr. Waterfield, until he would have his papers in order for the actual closing. This was a longer time period than Mr. Fletcher anticipated, however, it would allow for time to finish putting the Commission's bond financing together. Mr. Simler asked if no announcement would be made concerning the project until December and Mr. Fletcher basically concurred, stating an offer for purchase could not be made until the funds were in hand. Mr. Fletcher said an announcement might be made earlier if the financing process is looking very good.

Mr. Fletcher commented further that he has been gathering information on issuing a bond for the last several months in anticipation of this project. He indicated that the Commission may have to "backup" the TIF bond with a GO bond in order to get a good interest rate and alleviate the need for any debt service reserve requirement. If the GO backup is required, that process will necessitate going through City Council for approval which will add time to the financing process.

Mr. Fletcher stated he has also been waiting to see how much money is left over from the Plaza Parking Garage bond issue. He said there will be funds leftover and they will reduce the original bond amount estimate of \$2.0 million to approximately \$1.3 million instead. Again, the bond amount will depend on the need for debt reserve. If reserve is required, the amount could rise to \$1.8 million in order to include a \$500,000 debt service.

There was no further discussion on the Plaza project.

OTHER BUSINESS

Mr. Fletcher mentioned the upcoming meeting with Bob McNulty to be held on Friday, September 26th at 4:00pm. There was some discussion of what topics the Commission wanted addressed at that meeting such as a vision for Ft. Wayne or an image for downtown, or how to create a nightlife that will bring people into downtown. Mr. Fletcher also said the Commissioners may want to opt for a new direction from what it's done in the past. The statutes talk about cessation of growth or revitalization of blighted area but Mr. Fletcher said most of the blight in downtown has been taken care of except for a few areas such as West Main Street.

Mr. Hill said he would like to know how to bring people back downtown. He said he believed that if people came back downtown, the retail business will return also because retail will follow the market created by downtown customers.

Mr. Fletcher asked Mr. Lindsay to comment on the study he did several years ago and had presented to the Commission on elements to bring people downtown. Mr. Lindsay cited several cities and amenities such as a state capitol being located downtown, or natural features such as rivers, lakes, or a downtown park. He also stated that a large university downtown was very beneficial in keeping a downtown alive and pumping. Mr. Lindsay stated that Ft. Wayne's Headwaters Park will probably be cited now as such an amenity and that McNulty will probably reinforce the notion of maximizing Headwaters and its ability to draw people downtown.

Mr. Hill commented that Ft. Wayne has "small pieces" (assets?) that could be publicized or "sold" but that no one is marketing them. Mr. Fletcher said that marketing is not something the Commission has gotten involved with before but that maybe it should. He said the group of large downtown property owners that

he's been meeting with for the last several years specifically created the economic improvement district for just such purposes, i.e., to promote downtown. The downtown EID, however, will focus on beautification, signage, security, cleanliness, etc. and has budgeted some monies for marketing the downtown as well. However, Mr. Fletcher stated that perhaps the Commission needs to help that effort along by developing its own plan for marketing downtown in the future.

The downtown golf course project was mentioned by Mr. Fletcher as a possible draw for downtown because it was a viable activity and also had the potential for spinoff developments. He spoke briefly about OmniSource participating in this project in some way because it was considering moving its operations that are located near the proposed golf course. He also said that the three City Council representatives he had discussed it with were for the project even after he had mentioned a \$4.0 million price tag.

But Mr. Fletcher said this project was only one type of activity and he asked the Commissioners for ideas as to kinds of activity they thought would be viable in downtown. He asked them what assets could the Commission capitalize on to create other activity in the downtown.

Mr. Simler said if OmniSource vacates its property, it would open up an opportunity for a large development like a sports stadium. Mr. McElhoe said he had been thinking the same. However, Mr. Fletcher noted that Indianapolis is now known as the state's sports mecca and that most sporting facilities have already located at or near the Coliseum and there are very little sports related opportunities for the downtown area. He thought perhaps Ft. Wayne could develop downtown as a draw for young people or for families. He said capitalizing on the library was another consideration for downtown, especially since it was looking at plans to expand.

Further discussion ensued regarding the marketing aspect of downtown and the Commission's role in that. Discussion also covered the Commission moving to a more general focus that was less project-oriented than in the past since much of the blight in downtown has been removed. Mr. Hill said he thought the Commission should retain its project orientation but add other elements to its function.

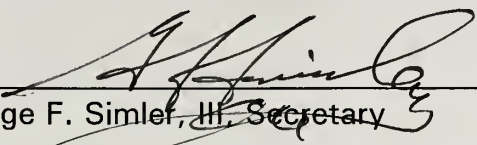
In other business, Mr. Powell reported to the Commission on the economic development forum that County Commissioner Ed Rousseau had put together. He said it was a "very important session" and that the speaker, an expert on company relocations, talked about the various factors companies look at when selecting sites. The speaker also talked about Ft. Wayne's economic advantages and disadvantages from a company's point of view.

Mr. Powell said the core group from this forum will continue to meet in the future in order to address the City's perceived problems with economic development efforts as a community. Mr. Powell said with the Commission's consent, he would continue to attend these meetings. No Commissioner expressed a problem with Mr. Powell continuing to attend these meetings.

Mr. Fletcher commented briefly that this economic development forum group was strictly concerned with industrial development and job creation, however, and remarked it would not be addressing community development at all to which Mr. Powell concurred. Mr. Fletcher went on to discuss the Chamber and the County's role in job creation, as well as the City's concerns on annexation issues and utility extension outside City boundaries.

With no further business to discuss, Mr. Powell motioned to adjourn the meeting and Mr. McElhoe did second the motion. The meeting was adjourned at approximately 6:00p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: November 17, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

REGULAR MEETING MINUTES

November 17, 1997

TIME: 4:30 p.m.

PLACE: City-County Bldg. - Rm. 128

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
John B. Powell - Member
George F. Simler, III - Secretary

MEMBERS ABSENT: R. Lawrence Drees - Member

STAFF PRESENT: Ron Fletcher - Executive Director
James C. Lindsay - Redevelopment Specialist
Loren Kravig - Redevelopment Specialist

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: John Stafford, Strategic Planner, City of Fort Wayne
Jim Elizondo, City Securities

CALL TO ORDER: Mr. Hill called to order this regular meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL: It was noted for the record that Mr. Drees was absent.

APPROVAL OF CLAIMS AND MINUTES

Mr. Hill called for a motion to approve the August 1997 and September 1997 Claims as well as the September 15, 1997 Minutes. Mr. Powell motioned for approval of said Claims and Minutes and Mr. McElhoe did second the motion. The motion passed unanimously.

OLD BUSINESS

Resolution 97-51

Approving Commission's Budget for 1998

Mr. Fletcher stated that the City Council had already approved the 1998 budget for the Commission. The proposed general budget is \$260,651 and the proposed capital budget is \$500,000.

Mr. Powell motioned to approve Resolution 97-51. Mr. Simler did second the motion, and it passed unanimously.

NEW BUSINESS

1. Baer Field Economic Development Area - infrastructure financing proposal

Mr. John Stafford, Strategic Planner for the City of Fort Wayne, was present to speak on the Baer Field Economic Development Area infrastructure financing proposal. Mr. Stafford stated that the next step in this project is the addition of a sewer line from Lower Huntington Road to Foster Park. Phase I of this project will

cost approximately \$2.1 million. The Allen County Redevelopment Commission will be funding this project out of proceeds from the Tax Increment Financing (TIF) Bond from General Motors.

A private consulting engineer has been contracted to do the engineering. The project is expected to be complete in January, 1998. The easements are currently being acquired.

Phase II is expected to be a \$1 - \$1.1 million project. The Board of Works is providing engineering services for the project and it should be ready for bid in January, 1998.

Mr. Stafford stated that throughout this project it has been recognized there would be some difficulty in funding Phase II. It has been hoped that there would be, to some extent, funding from tax increment generated from the Baer Field Economic Development Area.

Mr. Stafford presented "A Proposal for Financing Construction of the 'GS Phase II' Interceptor Relief Sanitary Sewer" for preliminary consideration to fund the \$1.1 million in two basic parts. The first part consists of \$500,000 from a Sewer Revenue Bond that will go to issue around the first of the year. The remaining \$600,000 will be obtained through a loan from the Community Trust Fund.

Mr. Stafford listed the sources of revenue for loan repayment, as follows:

1. The Baer Field Economic Development Tax Increment
2. The Urban Development Action Grant Recapture Fund
3. The County Economic Development Income Tax Funds
4. Light Lease Revenues

Mr. Stafford also pointed out the Proposal states the Loan Agreement should contain specific language that there will be no penalty for early payment on the principal balance. It was noted that the annual interest rate on the unpaid balance will escalate on an annual basis at a rate of 0.5%. The rate will begin at 5% and increase every year thereafter.

Mr. Fletcher questioned the last paragraph of the proposal regarding the payment of the principal from the Light Lease revenue in the year 2003. Mr. Stafford responded to this question, indicating that the details of this statement had not been worked out completely and are subject to change.

Mr. Hill asked what the addition of the sewer lines would do for the improvement of the city. Mr. Stafford answered that Phase I would eliminate all the existing capacity deficiencies existing in that area. It will also allow for some limited capacity to support additional development, such as Baer Field Industrial Park. Upon completion of Phase II, approximately 50% additional capacity will be added. Currently the sewer line can accommodate 11 million gallons/day. The completed project will allow for another 6.6 million gallons/day. This will also allow for most reasonable industrial development anyone can expect at this point, reasonable being typical development (distribution centers, etc.), not including any large "sewer users".

Mr. Lindsay questioned the increase of only 6.6 million gallons/day, stating if there are any large industrial businesses coming to the city, these businesses could be located in this area. Mr. Stafford answered, noting he would feel comfortable with any growth in that area, provided Phase II is completed.

Mr. Fletcher stated the city has a commitment with General Motors that the capacity would be greater, and at this point is actually below capacity.

Mr. Lindsay again stated he was concerned if this situation is really being looked at optimistically regarding the larger businesses.

Mr. Hill asked if Mr. Stafford was comfortable with the \$1.1 million price tag on Phase II. Mr. Stafford replied that based on the estimates received to date, this is a very reasonable cost. He also commented that he would like to be able to begin bidding soon so the contractors don't get booked up with other jobs and some competitive bidding can take place.

Mr. Stafford commented he would have to go back and see what the agreement with General Motors was, as far as the capacity promised to them.

Mr. Hill stated he didn't want to be put in a position to have to turn businesses away and this project won't be any cheaper down the road if more sewer lines have to be added to increase capacity.

Mr. Lindsay again stated it cannot be disputed that this area is an attractive industrial area in this part of the state.

Mr. Stafford went on to talk about the water line, which is a key part of this sewer project. From Harrison to Indianapolis Road is about a \$1.2 million project. The Allen County Redevelopment Commission funded this project and construction is complete. A large water supply is in place because of this. There were a number of other smaller water projects (between \$220,000 and \$250,000), and if this same condition develops (in Phase II), it will need to be taken care of as well. It is suspected something like that may come along for Phase II and the additional demand will be from other revenue. The Loan Agreement with the Community Trust will likely not change. It is feasible to rewrite a couple of agreements to put more money into the "kitty" to work on more projects.

Mr. Hill asked whether in the future there would be a bottleneck even though the capacity is being doubled now. Mr. Stafford answered that eventually there will be a bottleneck. There are two Federal Mandates:

1. To eliminate the combined sewer overflows where sewage goes directly into the river
2. To eliminate the back-up problems in the combined sewer area - including getting the storm water out of the sanitary sewer system and this will benefit the capacity. Mr. Stafford also noted this point is more of a local decision than a Federal Mandate.

Mr. Hill questioned if there is any thought to developing a pre-treatment facility in this industrial area. Mr. Stafford answered that the CSO Program will be looking at this as well as some "in-line storage facilities" in the next two to three years.

Mr. Stafford stated he will go to City Council on Tuesday and have some general discussions on the Revenue Bond and the needed \$500,000. It is his hope to come back and start working on specific documents.

Mr. Hill asked when the Commission would be able to get back together with him. Mr. Stafford answered he is optimistic to get back with the Commission at the December meeting.

2. Court Street Plaza financing - City Securities Corp.

Mr. Fletcher stated he has been working with Rod Wilson, who had to be out of town, on the financing of the acquisition of the Court Street Plaza Project - \$1.825 million. He introduced Mr. Elizondo, who will be detailing this.

Mr. Elizondo began by speaking about the refunding of three of the outstanding bond issues. The first is the 92-A bond issue, which refunded the Midtowne

Crossing project, the 92-B bond issue, which financed the City Center Parking Garage at Norwest, and the 95 bond issue which funded the city's portion of the City County Parking Garage, as well as some money set aside out of this issue for the Court Street Project.

First, by refunding all three of these issues, there are five advantages:

1. An outright savings in the obligation on an annual basis.

The 92-A bond could be refunded with taxable bonds. Because this issue was refunded once as a tax free bond, it can only be refunded as a taxable bond at this time. The 92-B and 95 issue are tax free bonds, all as one issue. This would provide a savings of \$30,000 - \$40,000 per year to the debt service obligation. The repayment term of those combined bond issues would be shortened by one year.

2. Refunding these bonds with a tax back-up.

Currently these bonds are TIF bonds, but by refinancing with a tax back-up, the debt service reserve fund requirements would be eliminated and would free up the current funds held in those reserve funds. This combination will provide \$1,825,000 which is close to the amount needed for the Court Street Project. More flexibility would be added by deleting some of the restrictive covenants TIF bond issues have. Coverage would still be at 120% - 125%. Tax back bond issues do incur a slight amount of risk, however. If it could not be paid out of current revenues, the tax payers would see a tax increase in the form of a special added levy. However, this is a very slight increase and only very unusual circumstances would cause this to happen.

Mr. Elizondo then reviewed the Current Interest Advance Refunding Bonds - Tax Backed handout, listing the column headings and pointing out the numbers he referred to earlier.

Mr. Elizondo then opened the floor for questions.

Mr. Fletcher questioned Column Number 5 and the negative numbers that show up (page 5). Mr. Elizondo answered that this reflects shortening the issue by 2½ years, which gives a larger gross savings, but on a present value basis, the savings are very similar. This shows savings on an continuing basis, which provides more flexibility on an on-going basis between the present and 2008 or 2009.

Mr. Hill asked about page four of the handout. It shows a slightly greater maturity than the plan Mr. Elizondo recommended, and the Debt Service Savings are slightly less. Mr. Elizondo responded that this option shows not reducing the payment term at all, and the savings would be slightly more up-front. Its simply another option. The plan Mr. Elizondo selected is a "middle of the road" option, but any of the plans are acceptable.

Mr. Simler asked how it is considered "middle of the road", when there is greater debt service to meet and less savings. Mr. Elizondo responded that the option he is presenting provides greater savings (1,519,791 vs. 1,367,222). Mr. Lindsay then clarified whether he was looking at the same table. Mr. Simler stated that he was looking at page one and four, commenting that it is difficult to tell the difference between the tables because they all have the same titles. Mr. Elizondo stated that page number four shows that the bond issue is not paid off early. Page number one, which is the option he is suggesting, shows the bond being paid off one year early. The plan Mr. Fletcher was asking about was page 5, which shows paying off the bond two years early.

Mr. Fletcher commented that when he reviews the cash he has available at present, in regards to the Tax Financing District, there is probably \$1.5 million in cash which, theoretically, could just about buy the Standard Federal Block. There is still cash on hand in the Debt Services Reserves. Mr. Fletcher stated that he asked Mr. Elizondo to put together something to show him that money could be saved on the

refinancing. It is possible to take the \$1.5 million and add \$325,000 to it and complete this acquisition without refinancing. However, this does not reflect taking advantage of the low interest rates available when refinancing. There is probably a little bit of premium that would be paid in retiring some of these bonds, as well as some underwriting fees.

Mr. Wilson backed up Mr. Fletcher, saying that there was definitely an efficiency to taking the \$1.5 million and adding the \$325,000 without going through the refinancing.

Mr. Hill asked what the Cost of Issuance refers to. Mr. Elizondo answered that it includes Bond Counsel (our opinion based on the tax-free status of the two issues) and Local Counsel, Trustee Bank, Rating Fees (if not insured), Printing of the Bonds, and Printing of the Disclosure Documents.

Mr. Simler stated that this equals approximately 190 basis points and questioned if this was a little higher than normal. Mr. Elizondo responded that considering this is all tax free, he does not feel it is too high. The taxable bond will require a slightly higher payment to the brokers to sell which has increased the basis points slightly. This is considered a conservative number, and it will not be any higher. Estimates are still coming in.

Mr. Fletcher agreed this is an estimate and he doesn't believe it will be this high. This number was used to have figures to start with.

Mr. Elizondo stated he would like to come back with a resolution on this matter within a couple of weeks. Mr. Fletcher added he is looking around December 1. He would like to have the Commission come back to approve this resolution.

Mr. Simler asked what the process is of adding a levy to the City's tax rate, if needed. Mr. Fletcher answered that he believes it is in the resolution along with the bond issue that, if necessary, a rate be put on the city. He went on to state if the money is short one year it will take some time to get that amount back and if you are short, it won't be that much. If there is a shortage, part of the capital could be used to take care of that shortage until the rate is put on. Because the capital is reimbursed, there should be no delay. Standard Federal will come through with paying all the Tax Increments for leasing their parking spaces for 10 years. The original agreement was that an additional 10 years would be present to Council, but Mr. Fletcher did not believe Council would approve it for anymore than five. The owners at Standard Federal have been told they are going to have to prove their case. They are working on documentation right now and will be coming back around the first of the year with their presentation. The lease would have probably been 15 years, except the law limited it to only 10. Therefore, they agreed to go back to Council after 10 years to negotiate another 10 years, but it is doubtful the Council will approve this now.

Resolution 97-55

Ratifying and Approving a Change Order Number 1 to a Contract with Louis Lee Lengacher, Inc.

Mr. Fletcher explained after Lengacher began their work on the Jefferson Skywalk Elevator, it was determined that extra work would be needed to complete this project at a cost of \$1,025.00. However, Lengacher also recommended a different concrete be used with a savings of \$300.00. This results in a total addition of \$725.00 (\$1,025.00 - \$300.00) to the contract.

Resolution 97-56

Approving an Expenditure for Plant Replacement for the Plaza Parking Garage

Mr. Fletcher explained that due to poor drainage, several evergreen plants died in the landscaped area along Calhoun Street. Because the drainage problems have since been repaired, the twenty shrubs should now be replaced at a cost of \$44.00 each for a total of \$880.00. This cost shall be split equally between the Commission and the Allen County Board of Commissioners.

Resolution 97-57

Ratifying and Approving Change Order Number 2 to the Key Concrete, Inc. contract

Mr. Fletcher explained that two trees were planted at the southeast corner of Harrison Street and Washington Boulevard (Grand Wayne Center). These two trees, which were replacements for the originals, died due to poor drainage at the site. Therefore, it was determined that no trees should be planted at this site. The cost of these two trees will be split equally between the Commission and the contractor, resulting in a \$400.00 deduction from the contract. The amount due on this contract is now \$90,728.60 (\$91,128.60 - \$400.00).

Resolution 97-58

Ratifying and Approving an Additional Expense for Pete's Custom Landscape and Design

Mr. Fletcher explained the Commission staff hired Pete's Landscape & Design to auger through the poorly draining planting material at the southeast corner of Harrison Street and Washington Boulevard (Grand Wayne Center). Upon completion of this work, it was determined that concrete and other debris were preventing proper drainage and that no trees should be planted in this area without first remedying the drainage problem. The cost of work performed was \$125.00.

Resolution 97-59

Ratifying and Approving a Change Order to the Leeper's Lawn Service, Inc. Contract

Mr. Fletcher explained that Commission staff hired Leeper's Lawn Service to perform the following:

1. Plant 45 Black Chokeberry along Barr Street to replace the original plants which were not thriving. Cost: \$1,350.00
2. Replace eight dead Emerald Mound Honeysuckle along Barr Street. Cost: \$272.00
3. Replace six severely damaged Broadmoor Junipers along Duck Street. Cost \$204.00
4. Prune dead branches from Broadmoor Junipers along Duck Street. Cost \$270.00

The above work was completed by Leeper's Lawn Service at a total cost of \$2,096.00. The work was not covered by warranty or Leeper's maintenance contract. It was necessary to repair festival damage and to replace poorly performing plants.

Resolution 97-60

Ratifying and Approving an Expense for Pfister Sprinkling Systems, Inc.

Mr. Fletcher explained that the Commission requested repair to a damaged sprinkler head along the Barr Street parking lot entrance and two leaks in the drip system along Clinton Street for a cost of \$41.60. The sprinkler system was also shut down, blown out and winterized before the winter weather arrived. Cost: \$150.00

Mr. Simler motioned to approve Resolutions 97-55 through 97-60. Mr. Powell did second the motions, and they passed unanimously.

Resolution 97-61
Approving a Change Order Number One to the Martin Enterprises, Inc. contract

Mr. Fletcher explained that Martin Enterprises, Inc. quoted a price of \$15,300.00 to remove and dispose of the basement walls and floor of the former Indiana Army National Guard Armory at 330 South Clinton Street.

Mr. Simler motioned to approve Resolution 97-61. Mr. McElhoe did second the motion, and it passed unanimously.

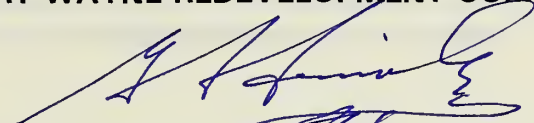
OTHER BUSINESS

None.

ADJOURNMENT

With no further business to discuss, Mr. McElhoe motioned to adjourn the meeting and Mr. Powell did second. The meeting adjourned at approximately 5:35 p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: January 26, 1998

FORT WAYNE REDEVELOPMENT COMMISSION

EXECUTIVE SESSION MINUTES

December 4, 1997

TIME: 3:30 p.m.

PLACE: City-County Bldg. - 9th Floor, Mayor's Conference Room

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - V. President
George F. Simler, III - Secretary
John B. Powell - Member
R. Lawrence Drees - Member

MEMBERS ABSENT: None

STAFF PRESENT: Ronald R. Fletcher - Executive Director
Loren Kravig - Redevelopment Specialist

COUNSEL PRESENT: R. David Boyer

OTHERS PRESENT: Rod Wilson, City Securities

CALL TO ORDER: Mr. Hill called to order this executive session meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL:

DISCUSSION:

Discussion ensued concerning the purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties, as defined in Indiana Code 5-14-1.5-6.1(b)(2)(D).

It is hereby certified that all discussion of business at the December 4, 1997 executive session meeting of the Fort Wayne Redevelopment Commission pertained only to the subject matter above as allowed and referenced by Indiana Code 5-14-1.5-6.1(b)(2)(D) and as specified in the meeting's public notice.

By a motion made by Mr. McElhoe and seconded by Mr. Simler, the meeting adjourned at approximately 4:30 p.m.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED:  January 26, 1998

FORT WAYNE REDEVELOPMENT COMMISSION

SPECIAL MEETING MINUTES

December 8, 1997

TIME: 4:30 p.m.

PLACE: Room 128, City-County Building

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - Vice President
George F. Simler, III - Secretary
John Sullivan - Member
John B. Powell - Member

MEMBERS ABSENT: None

STAFF PRESENT: Ronald R. Fletcher, Executive Director
James C. Lindsay, Redevelopment Specialist
Loren Kravig, Redevelopment Specialist

COUNSEL PRESENT: Marc C. Krcmaric

CALL TO ORDER

Mr. Hill called to order this special meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that all Commission members were present.

APPROVAL OF CLAIMS

Mr. Hill called for a motion to approve the October 1997 claims. Mr. Simler moved to approve the October 1997 claims. Mr. Powell did second. The October 1997 claims were approved unanimously.

NEW BUSINESS

Resolution 97-62

Authorizing the issuance of bonds for the purpose of refunding outstanding Civic Center Urban Renewal Area bonds and of providing funds for the Courthouse Plaza project.

Mr. Fletcher explained that this resolution approves the issuance of a tax incremental financing bond in an amount not to exceed \$8.7 million. The proceeds of the bond will be used to refund and defease the existing 1992, series A and B, issues and the 1995 issue. Additionally, proceeds of the bond issue will be used to reimburse the Commission for the costs of real estate acquisition and all incidental and related expenses incurred in the "Courthouse Green" project. Mr. Fletcher continued to explain that the Commission's contribution to the project will be \$1.825 million representing the acquisition of the real estate at full appraised value. The private sector will be fund raising in order to fund the environmental remediation, if required; demolition of the existing blighted structures on the site, architectural and engineering services for the design of the project and actual construction of the project. A new feature of this bond is that it will contain a general obligation (G.O.) backup which allows the Commission to add a levy on the City's tax rate if needed in the event of a catastrophe or some

other type of totally unexpected event. The savings to the Commission in terms of the interest rate paid to bondholders is significant. Additionally, the interest rates are very favorable at this point in time, making the refunding and defeasing of the bond issues a favorable course of action in its own right.

Mr. Fletcher introduced Mr. Marc Krcmaric, bond counsel, who stated that he would approach explaining the bond issue by discussing the different features from previous bond issues that the Commission has issued. First, the general obligation back up feature, coupled with insurance, was discussed. This feature results in lower interest rates for the bonds because of extra security provided to the bondholders. In the event of a catastrophe or other event in which tax increment needed for debt service was not received, the insurance provider pays the debt service and a levy (the general obligation back up) is added to the City's tax rate for that year to pay the required debt service for the bond issue. Another feature of the new bond issue is that the debt service reserve fund which is required for the 1992 and 1995 issues is *not* required for the new bond issue (due to the G.O. back up). Mr. Krcmaric stated further that the new bond issue consists of two parts, Series A, which is taxable and Series B which is tax exempt. The reason why the series A issue is taxable is that it had already been defeased once in 1992 and federal tax law only allows this to occur once and remain tax exempt.

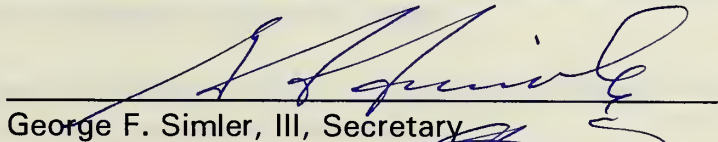
Mr. Rod Wilson, representing City Securities, the Commission's underwriter for the bond issue added that a hearing would be held at the State in January 1998 and that the decision ensuing from that hearing would take several weeks. He stated that he received a quote on the bond insurance and it was approximately \$28,000 which is less than the \$44,000 in the pro forma. Also, as is the case with any bond issue, interest rates can vary from what was projected in the pro forma.

Mr. Fletcher went on to say that he was projecting a closing date on the Court Street real estate before year end, since agreement was reached with the seller on the remaining issues.

Mr. Simler moved to approve resolution 97-62. Mr. McElhoe did second. The Commission voted unanimously to pass Resolution 97-62.

Mr. Powell moved to adjourn and Mr. Sullivan did second. The motion to adjourn passed unanimously.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: December 8, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

PUBLIC HEARING MINUTES

December 22, 1997

TIME: 4:30 p.m.

PLACE: Mayor's Conference Room, City County Building, Room 900

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - Vice President
John Sullivan - Member

MEMBERS ABSENT: George F. Simler, III - Secretary
John B. Powell - Member

STAFF PRESENT: Ronald R. Fletcher, Executive Director
James C. Lindsay, Redevelopment Specialist
Loren Kravig, Redevelopment Specialist

COUNSEL PRESENT: R. David Boyer

Additional appropriation of funds pursuant to Amendment IX to the Civic Center Urban Renewal Area

CALL TO ORDER

Mr. Steve Hill called to order this Public Hearing of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that Mr. Simler was absent and all remaining four (4) members were present.

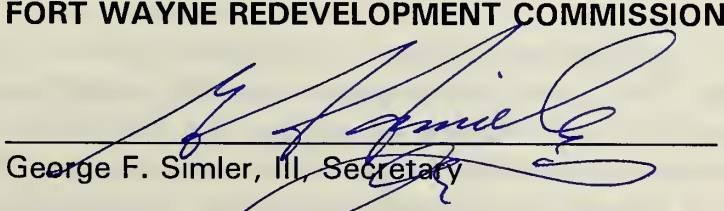
DISCUSSION

Mr. Hill asked that when anyone came forward to speak for or against the proposed Appropriation, to please state their name for the Commission members. He then asked three times if anyone would like to speak in favor of the Appropriation. No one responded indicating a desire to speak.

Mr. Hill then asked three times if anyone was present who wished to speak against the Appropriation. No one responded indicating a desire to speak.

With no further discussion pending, Mr. Sullivan moved to adjourn the Public Hearing and Mr. McElhoe did second. The motion passed unanimously.

FORT WAYNE REDEVELOPMENT COMMISSION


George F. Simler, III, Secretary

ADOPTED: December 22, 1997

FORT WAYNE REDEVELOPMENT COMMISSION

SPECIAL MEETING MINUTES

December 22, 1997

TIME: 4:30 p.m.

PLACE: Mayor's Conference Room, City-County Building, Room 900

MEMBERS PRESENT: R. Steven Hill - President
Steven E. McElhoe - Vice President
John Sullivan - Member
John B. Powell - Member

MEMBERS ABSENT: George F. Simler, III - Secretary

STAFF PRESENT: Ronald R. Fletcher, Executive Director
James C. Lindsay, Redevelopment Specialist
Loren Kravig, Redevelopment Specialist

COUNSEL PRESENT: R. David Boyer

CALL TO ORDER

Mr. Hill called to order this special meeting of the Fort Wayne Redevelopment Commission.

ROLL CALL

It was noted for the record that one Commission member, Mr. Simler, was absent from the meeting, and all other members were present.

NEW BUSINESS

Resolution 97-63

Approving an additional appropriation of funds pursuant to Amendment IX, Civic Center Urban Renewal Area

Mr. Fletcher explained that the appropriation for \$1.825 million is for the acquisition of the real estate and improvements contained in the "Court Street Block". This is the site of the "Courthouse Green" project which is contained in Amendment IX to the Civic Center Urban Renewal Area. Mr. Fletcher explained that the owner desired to close on the real estate on or about December 30, 1997. This resolution allows the for the appropriation of funds accordingly.

Mr. McElhoe moved to approve resolution 97-63. Mr. Sullivan did second. The Commission voted unanimously to pass Resolution 97-63.

Resolution 97-64

Approving change order number 1 with City Glass Specialities, Inc.

Mr. Lindsay stated that the work for the glass enclosure covering the walkway to the City County Building from the Plaza Parking Garage was bid in the Spring 1997. Since the project was bid, CONTECH Engineers, Inc. expressed concern that the design proposed by the contractor for the enclosure was not adequate in terms of structural support required to withstand the occasional heavy winds that can accompany storms from the west. CONTECH designed a system of structural support for the enclosure, a rendering of which is attached to the resolution as "Exhibit A". The cost for the

modification is : \$4,169.00. The total cost for the project is \$14,969.00 and will be split equally between the Commission and the Allen County Board of Commissioners pursuant to contract.

Mr. McElhoe moved to approve Resolution 97-64 and Mr. Sullivan did second. The Resolution passed unanimously.

Resolution 97-65
Approving a contract with Triad Engineering, Inc..

Mr. Kravig stated that Mr. Anthony Vilutis is an attorney representing an estate which includes a parcel of real estate located at 216 Superior Street at the northwest corner of Wells and Superior Street, near the Wells Street (historic) Bridge site. Mr. Vilutis has offered to donate the real estate to the Commission and to fund up to \$1,450.00 in the cost of environmental investigation since it is believed that the site contains underground storage tanks. The reason for the Commission to consider the donation is because the site could be integrated into the Wells Street Bridge project as a landscaped entryway. Commission staff solicited bids from the following three consultants with results as follows:

Triad Engineering, Inc.	\$3,500.00
GAI Consultants	3,700.00
ATC Associates	3,500.00

(A transcribing error in the resolution between the bid amounts for GAI and ATC has been corrected here to reflect the correct bid for each consultant.)

Mr. Kravig recommended the selection of Triad over ATC because of large personnel turnover at ATC and recommended that the Commission award the contract for environmental investigation to Triad accordingly.

Mr. Powell moved to approve Resolution 97-65 and Mr. McEhoe did second. The Resolution passed unanimously.

OTHER BUSINESS

Resolution 97-66
Approving a settlement agreement and mutual release

Mr. Fletcher stated this resolution relates to the settlement of the lawsuit with US Brick, and others, pertaining to the defective exterior brick system that was replaced at Midtowne Crossing. Mr. Fletcher reminded the Commission that in accordance with the agreement with NBD Bank, the bank retained the right to settle the lawsuit with Commission concurrence should it deem settlement in the best interest of all. The agreement has been reviewed by Commission legal counsel who both recommend approval accordingly. Mr. Powell stated that he had some degree of concern over the provisions of paragraph nine pertaining to disclosure of the terms of the settlement. Mr Fletcher stated that the Commission's records pertaining to all matters of the lawsuit are considered public documents which are open for public inspection and that the Commission was not bound by the provisions of this paragraph.

Mr. Powell moved to approve Resolution 97-66 and Mr. Sullivan did second. Mr. McElhoe abstained from voting. The Resolution passed unanimously

Resolution 97-67

Approving the payment of assessments to the Midtowne Crossing Owners' Association

Mr. Fletcher stated that this resolution approves the payment of monthly assessments to the Midtowne Crossing Owners' Association for 1998. The Commission owns the two parking garage condominiums and is assessed 25.69% of the association's annual budget due to the square footage of the garages. The assessment increased from \$1.37 per square foot to \$1.45 per square foot. The total assessment of \$59,358.55 is payable monthly in the amount of \$4,946.55.

Mr. Powell moved to approve Resolution 97-67 and Mr. McElhoe did second. The Resolution passed unanimously

Resolution 97-68

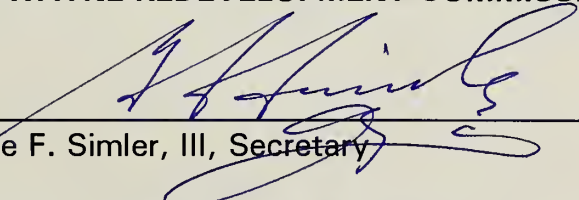
Approving the payment of an additional cost for the Plaza Parking Garage Project

Mr. Fletcher stated that this expense relates to the replacement of approximately twenty-four (24) pavers in the north plaza area between the City County Building and the Plaza Parking Garage. The pavers were identified for replacement by Commission staff in the Fall 1997 and the project was to be funded by the newly formed Plaza Parking Garage Condominium Owners' Association. However, the Allen County Board of Commissioners requested that this cost be included in the parking garage project because it serves both the north plaza area and the garage itself. As such, the cost will be split between the Commission and the County pursuant to contract. Mr. Fletcher stated that he did not foresee any new or additional costs related to the parking garage or plaza projects being brought before the Commission for funding.

Mr. Powell moved to approve Resolution 97-68 and Mr. Sullivan did second. The Resolution passed unanimously

There being no further business, Mr. Powell moved to adjourn the special meeting. Mr. Sullivan did second. The vote was unanimous for adjournment.

FORT WAYNE REDEVELOPMENT COMMISSION



George F. Simler, III, Secretary

ADOPTED: December 22, 1997



TO LOCK
PERMANENTLY
Push down spur
with a blunt
instrument

